

GOVERNMENT OF INDIA
FINANCE DEPARTMENT (CENTRAL REVENUES)

Memorandum

on

Excise Administration in India
so far as it is concerned with
Intoxicating Liquors

for

1927 28

13th Edition



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CHAPTER I.—MADRAS.

1. *Excise revenue.*—The total Excise revenue for 1927-28 amounted to Rs. 534.95* lakhs, distributed under the following heads :—

Heads.	Receipts (in lakhs).	Percentage of total Excise revenue.
	Rs.	
(1) Country spirit	209.38	39.1
(2) Toddy (Tari)	246.03	46.0
(3) Duty on country-made spirit excised at (Rs. 17-8-0 per proof gallon)	3.69	0.7
(4) Country beer	5.38	1.0
(5) Vend fees on imported liquor, etc.	4.14	0.8
(6) Opium and its preparations	42.11	7.8
(7) Hemp drugs	18.48	3.5
(8) Miscellaneous	5.74	1.1
Total	534.95	100.0

During the year 1926-27 the total Excise revenue amounted to Rs. 511.36 lakhs, and the revenue realised from country spirit was Rs. 205.50 lakhs, against Rs. 199.06 lakhs in 1925-26. The corresponding figures for the year 1912-13 were Rs. 330.29 lakhs and Rs. 144.57 lakhs respectively (*cf.* Statements VII and VIII). The net revenue from Excise during the year 1927-28 shows an increase of about 57 per cent. on the corresponding figure of 1912-13 and an increase of about 5 per cent. on that of the preceding year.

This Memorandum is concerned with the first five items only.

LAW REGULATING LIQUOR TRAFFIC.

2. The liquor traffic was regulated under the provisions of the Madras Abkari Act, I of 1886, as amended by Madras Acts, I of 1905, I of 1913 and I of 1915.

COUNTRY SPIRIT.

3. *Meaning of the term 'country spirit'.*—In the greater part of Northern India, country spirit was till lately for the most part spirit distilled after the old Indian method as distinguished from 'Industrial' or

* Includes revenue derived from excisable articles exported to Indian States.

spirit' (rum, etc.), produced in distilleries worked after the English method. In Madras no such distinction exists. In some outlying parts which are under the outstill system, *arrack*, the name applied in Madras to distilled spirits consumed by the Indian population is, it is true, manufactured according to the old primitive method; but in the distillery areas which cover almost the whole of the Presidency, exclusive of the major portion of the Agency tracts, its manufacture is carried on in regular distilleries provided with modern appliances and worked on modern methods. What in Northern India would be called Indo-European spirit, *i.e.*, local brands of 'rum', 'whisky', etc., is in Madras manufactured in the same distilleries as *arrack* and in fact is *arrack* coloured or flavoured before issue, and excised at a special rate of Rs. 17-8-0 per proof gallon. 'Country spirit' in Madras means spirit manufactured in the country on which duty at the tariff rate is not leviable, but does not include locally-made 'foreign' liquor.

4. *Proportion of country spirit revenue realised under the distillery system.*—About 98.1 per cent. of the revenue derived from country spirit (*arrack*) in Madras was realised under the distillery or, as it is called 'Excise' system. (Rs. 205.38 lakhs out of a total of 209.38 lakhs).

For corresponding figures for 1912-13 and 1926-27, see Statement VII.

DISTILLERY SYSTEM.

5. *Replacement of the private distillery system by the contract distillery system.*—When the first edition of this Memorandum was published, *i.e.*, in the year 1897, the leading distillery system of Madras was the *private distillery supply system* which was one of free competition among the licensed distilleries in respect of the production of the spirit. The contract distillery system which gives a single distillery the sole right of production and distribution in respect of a particular area, was only in force in a few districts and was regarded as a preliminary step towards the private distillery system. In the course of years, however, the greater part of the production trade in the private distillery areas fell into the hands of two great distilleries, and these, after a period of fierce competition, were amalgamated. The result was a practical monopoly in the hands of a single firm throughout the greater part of the Presidency, and to check the evil consequences which would follow, the private distillery system was, in April 1901, replaced by the 'contract' system in all the districts in which it was then in force. The contract distillery system thus became the sole distillery system of the province and the smaller distilleries which still survived remained as supply centres for particular districts. The transition from the private to the contract system was rendered simple by the fact that the distilleries working under the two systems when both existed were of the same type: in fact, the same distillery might have worked as private distillery for one part of the Presidency and as a 'contract' distillery for another, and that the retail vend arrangements under both were the same.

6. *Derivation of the contract distillery system.*—Under the contract distillery system the exclusive privilege of manufacture of country spirit for a particular district or other specified area is disposed of by tender. The tender is made for the monopoly of supply to retail vendors within the area of the contract. The still-owed duty to be paid to Government on each gallon of spirit is fixed and tenderers are required to state at what rate they

are prepared to supply spirits of certain specified strengths* at a central source of supply (Distillery or Warehouse) in each contract area.

7. *The area in which it was in force.*—This system was in force throughout the Presidency except the non-excise tracts in the major portion of the Agency tracts (as to which see paragraph 21). The arrack supplied was distilled from jaggery or molasses.

8. *Character and supervision of distilleries.*—The distillery in Malabar belongs to Government. In 1926-27 it was leased to contractors for the manufacture and supply of Malabar arrack to foreign liquor dealers. The other distilleries which work under the contract distillery system are all privately owned. Each licensed distiller has to equip and maintain his own distillery on plans approved by the Commissioner of Excise and is bound to make any alterations or additions which the latter officer or the Assistant Commissioner of Excise for distilleries may consider necessary in the interest of the revenue.

9. The distilleries are worked after English methods, and each distillery has attached to it one or more officers of the Excise department, whose duty is to check carefully, in the interest of the revenue, every detail in the process of manufacture, and to pass the spirit out in bond or on payment of duty as the case may be, for warehousing or consumption. Each distillery is in charge of an Assistant Inspector on Rs. 150—200 per mensem, and the Assistant Inspectors in charge of the more important distilleries are assisted by one or two Sub-Inspectors on Rs. 60—90 per mensem. The work of these local distillery officers is supervised by 2 Distillery Inspectors. An Assistant Commissioner is employed for the general supervision of distilleries and for the instruction of the officers of the department in everything appertaining to distillery work.

10. Distillers and Warehousekeepers are bound to provide houses, the rent of which is not to exceed a fixed sum, for the officers who supervise their operations, if suitable quarters cannot be rented in the neighbourhood at reasonable rates.

11. *Warehouses.*—To facilitate the supply of liquor to vendors contract distillers are required, when necessary, to open "Warehouses" within their contract areas.† These Warehouses are supervised by sub-Inspectors without extra cost to the warehouse licensee. Spirits are received from a distillery or another warehouse in bond, and may be blended or reduced before issue under the control of the supervising officer, in bond or on payment of the prescribed rate of duty as the case may be. Denaturation and compounding of spirits are not allowed at warehouses.

12. *Distillers forbidden to engage in retail trade.*—Distillers are forbidden to undertake or have any interest in retail transactions in respect of country spirit or other intoxicating liquors in their contract areas.

*These were generally speaking 35° and 60° under proof, but 38° U. P. was prescribed in 9 districts and 40° U. P. in the low duty area round Pondicherry in the South Arcot district.

†The distillery itself may be outside the contract area, e.g., the Proprietor of the Renigunta distillery, Chittoor district, does not hold the contract for the Chittoor district.

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12. *Number of distilleries and warehouses.*—In each of the years 1926-27 and 1927-28 there were 10 distilleries and 15 warehouses for the supply of the contract distillery tracts. In the year 1912-13 the corresponding figures were 10 and 16, respectively.

14. *Rules of still-head duty.*—In 1927-28 the rates of still-head duty varied from Re. 0-15-0 per proof gallon in Palkonda Agency to Rs. 11-2-3 in Madras and in the Saidapet taluk of the Chingleput district. In 1912-13 these rates varied from Re. 0-10-0 per proof gallon (in the Ganupur and Palkonda agencies of the Vizagapatam district) to Rs. 8-2-0 (in Madras and in 11 adjoining villages of the Saidapet taluk in the Chingleput district).

15. *Wholesale vend licenses.*—The contract distillers are primarily responsible for the opening of such wholesale depots as may be considered necessary for the supply of shops within their contract areas, but with the consent of the contractors private parties are allowed, on payment of an annual fee of Rs. 15 and on depositing such amount as security as the Collector may require to open such depots for the sale of liquor obtained from the contract distillery or a warehouse in connection therewith. Issues from depots are made only to other wholesale depotkeepers and licensed independent arrack shopkeepers in the same contract area, in quantities of not less than half a gallon at a time to licensed independent arrack shopkeepers, and not less than 9 gallons at a time to other wholesale depotkeepers. This class of licensees is a necessary link between the distiller and the petty shopkeeper who cannot afford to purchase more than a few gallons at a time or go long distances to obtain it. The spirits kept in wholesale depots are duty paid and consignments are verified on arrival by a Government officer if the duty in the area in which the warehouse or distillery lies is higher than in the area in which the depot is situated, or if they have passed through foreign territory; in other cases the verification is made by the depotkeepers themselves. 350 wholesale depots were worked under the above conditions in 1927-28. Of these 358 were held by the supply contractors free of fee and 22 by private persons with the consent of the supply contractor on payment of the fee of Rs. 15 per annum as referred to above. In 1926-27, 359 wholesale depots were worked under the above conditions. In 1925-26 there were 444 wholesale depots; of these 332 were held by the supply contractors free of fee and 112 by private persons with the consent of the supply contractor on payment of a fee of Rs. 15 per annum.

It follows, therefore, that retailers and wholesale depotkeepers are bound to accept the quantities to be used to purchase from them on payment of the stipulated price, and the prices to be charged by them are fixed.

to the fact that the bulk of retail outlets of country spirit is annually supplied by a number of the holders of the contract distillery supply licenses. These holders sell their liquor from the contract distilleries to the holders of the category of the wholesale vendors licenses. The latter then supply to the retailers, purchased in the form of a contract, the quantity of spirit required for sale by the retail outlets. The latter, in turn, sell the spirit to the public. It may be noted that the contract distilleries are not permitted to sell directly to the public. A similar situation exists in

not been imposed anywhere, while minimum prices have been imposed only in the low duty tracts of the South Arcot district.

17. *Number of country spirit shops.*—In the year 1927-28 the number of shops for the retail sale of country spirit was 5,893, against 5,939 in the preceding year—a decrease of 0.77 per cent.—and 8,976 in 1912-13—a decrease of about 34.35 per cent. (see statement IV). The number of country spirit shops per 100,000 of the population in the years 1912-13, 1926-27 and 1927-28 was 21.68, 14.02 and 13.92, respectively. The average area served by a country spirit shop was 24.18 square miles in 1927-28, against 15.86 square miles in 1912-13 and 24.00 square miles in 1926-27 (cf. statement III).

18. *Sale strengths.*—In order to prevent the watering of liquor by shopkeepers and to facilitate the detection of cases of smuggling and illicit distillation, retail vendors in all distillery areas are bound, as a condition of their licenses to sell their liquor at certain specified strengths, generally 35° and 60° under proof (vide foot-note to paragraph 6). It is one of the duties of the Excise officers to ascertain by hydrometer tests that these strengths are not departed from, a due margin being allowed for reduction in strength due to natural causes. The great bulk of the liquor sold in 1927-28 was at 35° under proof. In 1912-13 the specified strengths at which the retail vendors were bound to sell their liquor were chiefly 30° and 60° under proof.

19. *Average taxation per gallon of distillery spirit and consumption.*—The receipts from country spirit in the distillery areas amounted in 1927-28 to Rs. 205.38 lakhs, of which Rs. 134.80 lakhs was realised from duty and Rs. 70.58 lakhs from vend fees, etc. In 1912-13 and 1926-27 the revenue derived from country spirit in distillery areas amounted to Rs. 141.43 lakhs and Rs. 201.95 lakhs, respectively. For further details see statement VII. The consumption of country spirit in 1927-28 amounted to 1,438,524 proof gallons or 3.40 proof gallons per 100 of the population, giving an average taxation of Rs. 14-1-11 per proof gallon, of which a sum of Rs. 9-3-8 was realised in the form of still-head duty and Rs. 4-14-3 in the form of vend fees. In 1926-27, the consumption of country spirit amounted to 1,447,670 proof gallons or 3.42 proof gallons per 100 of the population, against 1,773,673 proof gallons or 4.28 proof gallons per 100 of the population in 1912-13. The average total taxation per proof gallon of country spirit in 1926-27 was Rs. 13-15-3 (Rs. 9-3-6 from duty) against Rs. 7-15-7 (Rs. 5-12-0 from duty) in 1912-13.

20. *Ordinary renting system.*—The Excise Administration of the British village of Anjengo in Travancore, which comprises an area of about one square mile and a population of 5,918 is leased to the State authorities for an annual gross payment of Rs. 8,000.

21. *System in Agency tracts.*—In 2,272 square miles of the Agency tracts with a population of 130,624, the contract distillery system is in force, and in the remaining 17,608 square miles with a population of

1,365,734, the central distillery and outstill systems are in force, as detailed below :—

(1) In 1927-28 the contract distillery system was in force in the Parlakimedi maliahs, the Palkonda taluk of the Vizagapatam Agency and the Polavaram, Chodavaram and Yellavaram taluks of the East Godavari Agency. The contract suppliers of the Ganjam district supply liquor to the Parlakimedi shops, the Vizagapatam district suppliers to the shops in Palkonda and Gudem and the suppliers of the East Godavari district to the shops in the Polavaram, Chodavaram and Yellavaram taluks. The contract distillery area in Parlakimedi maliahs was included in the Chicacole Excise circle and the Palkonda taluk in the Bobbili circle. The East Godavari Agency area is under the Agency Excise Inspector. The spirit issued to the Agency areas is of weaker strength (60° under proof) than that issued to the adjoining plains and the duty is low. To differentiate the liquor intended for the Agency from that intended for the ordinary tracts the Agency liquor is coloured.

(2) The Central Distillery system is in force in the whole of the Nugur taluk and in the belt of country 5 miles deep along the Godavari and 3 miles on either side of the Sabari river in the Bhadrachalam taluk and in the Gunupur taluk. Under this system two central distilleries were opened in Bhadrachalam, one in Nugur taluk and one in Gunupur taluk. The distillers manufacture *arrack* from Mohwa, and the privilege of manufacture in these distilleries is disposed of by tender. The successful tenderer pays a license fee of Rs. 5 for each distillery in Bhadrachalam and in Nugur taluks and of Rs. 50 in the Gunupur taluk, and is bound to supply *arrack* at the prescribed strength of 60° under proof to the shops dependent on his distillery. A petty officer with one peon is in charge of each Central Distillery in Bhadrachalam and Nugur taluks and one Sub-Inspector with six peons is in charge of the distillery in the Gunupur taluk. The staff in these Distilleries are working under the supervision of the Assistant Inspectors at Bhadrachalam and Gunupur. The duty per gallon of 60° U. P. liquor was 10 annas in Bhadrachalam and Nugur and 4 annas in the Gunupur taluk in 1927-28. The liquor manufactured at the Central Distilleries is coloured to prevent malpractices.

(3) The outstill system, under which the privilege of manufacture and vend is sold by shops, is in force in the whole of the Vizagapatam Agency except Gunupur (including Palkonda Agency). There were no shops under the outstill system in Ganjam Agency in the year 1927-28. Under this system the spirit is manufactured generally from Mohwa, but no particular strength is insisted on and no accounts are kept. There is no limit placed on the selling price of liquor. As regards the percentage of area under, and population served by, the outstill system, please see statement V.

(4) *Free distillation*.—In the Ganjam Agency tracts no revenue was derived from *arrack*. The *Kondhs* in the Ganjam Agency were allowed the privilege of manufacture of *arrack* without payment of duty. The *Origs* in the area were not allowed to manufacture or sell liquor. To prevent the *Kondhs* from abusing the right of free distillation, and to prevent the *Origs* from manufacturing *arrack*, an Excise officer of the rank of Assistant Inspector and a staff of Sub-Inspectors and peons are at work in the G. Udayagiri taluk. In six muttahs of this taluk free distillation

by *Kondhs* was restricted, by insisting on permits being taken from the Revenue or Exeise authorities before manufacture of *arrack* was allowed. In the portions of the Gunupur and Bissemkatak taluks bordering on the Parlakimedi and Kuttai Maliahs, the *Kondhs* and *Savaras* enjoyed the privilege of free distillation for *bona fide* home-consumption. In the Savara hills bordering on the central distillery area of the Gunupur taluk it has been decided to restrict the privilege to special occasions, and under permit for each occasion.

22. The total receipts from country spirit under the non-distillery systems amounted in 1927-28 to Rs. 4.00 lakhs, against Rs. 3.14 lakhs in 1912-13 and Rs. 3.55 lakhs in 1926-27.

TODDY.

23. Toddy (known in the North of India as *tari*) is the sap of the palm-tree.

24. *Unfermented or sweet toddy*.—Unfermented toddy is not subject to any taxation in Madras but has to be drawn in pots freshly coated internally with lime (to prevent fermentation). In East Godavari, West Godavari, parts of Guntur and Agency tracts, licenses (for which no fee is charged) are required for the tapping of trees for this "sweet toddy".

25. *Fermented toddy. Tree-tax system*.—Fermented toddy is taxed by means of fees payable for the right of retail vend, and also by means of the tree-tax system, under which a fixed fee is charged for every tree from which it is intended to draw fermented toddy.

26. Where the tree-tax system is in force no palm-trees can be tapped for the purpose of producing fermented toddy without a license, upon issue of which the tree is marked to indicate that a license has been obtained for it. The tapping of unmarked trees for the purpose of producing fermented toddy is an offence.

Licenses for the tapping of trees for fermented toddy are issued on payment of tree-tax, on the application of toddy shopkeepers ; of the contractors for the manufacture and supply of "Malabar *arrack*" ; of toddy drawers in South* Kanara ; of tree-owners generally up to 5 trees ; of any member of a hill tribe whether a tree-owner or not, residing in certain villages of Vizagapatam district up to 5 trees for each household ; of sweet toddy tappers in East Godavari, West Godavari, parts of Guntur and of the Agency tracts up to a limit of 3 trees ; and of toddy shopkeepers or renters in Mysore. Pudukottai and Banganapalli who desire to obtain toddy from trees growing in British territory.

27. *Coconut, Sago, Palmyra, Date and Dadasal*.—Licenses are issued half-yearly for coconut and sago palms and yearly for palmyras, dates

* Provided that applications for licenses are accompanied by applications for permits for the transport of the toddy to some particular shop, and that the latter applications are countersigned or acknowledged to be correct by the shopkeepers to whose shops the toddy is to be taken.

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and dadasals (*Arenga Wightii*) trees. The rates of tree-tax in 1927-28 were as below :—

Palms.	The districts of Ganjam, Vizagapatam (except certain agency tracts), South Kanara and Malabar.	Vizagapatam Agency (portions).	Vizagapatam Agency (portions).	Agency tracts of East Godavari (areas under the tree-tax system.)	All other districts.
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
Coconut palms for each half year	4 8 0	0 12 0	3 12 0	2 13 0	5 10 0
Sago palms for each half year	9 0 0	1 8 0	7 8 0	5 10 0	11 4 0
Palmyra or date for the whole year	3 0 0	0 8 0	2 8 0	1 14 0	3 12 0
Dadasalt for the whole year	1 0 0	..	..	..	..

The rates of tree-tax in 1912-13 were as follows :—

Palms.	The districts of Ganjam, Vizagapatam, South Kanara and Malabar.	The districts of Godavari, Kistna, Gun- tur, Nellore, Cuddapah, Anantapur, Bellary and Kurnool (in- cluding Banganapalli).	The districts of Chingleput except Saidapet taluk, North Arcot, Chittoor and South Arcot.	The rest of the Presidency.
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
Coconut	2 4 0	3 0 0	3 6 0	3 12 0
Sago	4 0 0	6 0 0	6 12 0	7 8 0
Palmyra or date ..	1 8 0	2 0 0	2 4 0	2 8 0
Dadasalt for the whole year ..	0 12 0	..	..	..

28. A prescribed minimum number of trees must be applied for, for tapping purposes, before a license is given. This minimum varies in different tracts.

29. *Vend licenses.* The privilege of retail vend in each shop was sold separately by auction. The number of licenses issued for the retail sale of toddy was 10,375, against 14,478 and 10,355 in the years 1912-13 and 1926-27, respectively (cf. statement IV). There was on an average 1 shop for 13.74 square miles and 24.50 shops for every 100,000 of population, the figures for 1926-27 were 1 shop for 13.76 square miles and 24.45 shops for every 100,000 of population; and those for 1912-13 were 1 shop for 9.82 square miles and 34.96 shops for every 100,000 of population.

30. *Method of procuring trees for tapping.*—The shopkeepers and other persons to whom licenses for tapping were granted had to make their own arrangements for procuring trees, either from private owners or from the Government. The usufruct of palm trees on Government waste land was prior to 1926-27 disposed of by auction, but in that year a fixed fee per tree was charged in most districts. This fee was for the use of the trees and was quite distinct from the tree-tax.

31. *Geographical extent of the tree-tax system.*—In 1927-28 the tree-tax system was in force throughout the Presidency, except the Nilgiris district, the Wynaad taluk and the Attapadi valley in Malabar, and portions of Agency tracts.* The circumstances of these excepted areas are peculiar. Toddy is not drunk in the Nilgiris district, the Wynaad taluk and the Attapadi valley; and its manufacture is not controlled in the major portion of the Agency tracts. In the 122 low-country Agency villages of the Parlakimedi Maliahs the right of manufacture and vend of toddy was rented out.

32. *Tapping of trees in Indian States for British shops and vice versa.*—A considerable number of trees are tapped in the Presidency for shops in Mysore while some British shops derive their supply of toddy from Mysore and Hyderabad. To regulate this traffic arrangements have been made with the Mysore Government, imposing a modified form of tree-tax on Mysore trees tapped for British shops and *vice versa*, the revenue in either case following the consumption. Where the rates of tree-tax on the two sides of the border are different the higher rate is levied. On toddy brought from Hyderabad, a transport duty of 3 annas a gallon is levied at a Chowky on the frontier. Toddy shopkeepers in the Pudukottai State are permitted to tap trees in the adjoining British villages on payment of tree-tax to the Madras Government at the rates prevailing in British territory; British shopkeepers are allowed to tap trees in the Pudukottai State on payment of a tree-tax to that State at the higher of the rates prevailing on the two sides of the border.

33. The total toddy revenue for 1927-28 was Rs. 246.03 lakhs, of which Rs. 114.22 lakhs was in the shape of tree-tax and transport duty on Hyderabad toddy, and the balance from licenses for the privilege of retail vend. In 1912-13 the total toddy revenue was Rs. 152.24 lakhs; in 1926-27 it was Rs. 231.92 lakhs.

* The portions of the Agency tracts where the tree-tax system was in force in 1927-28 were the Polavaram division, 138 villages of Yellavaram, 106 villages of Chodavaram, portions of the Gudem taluk, 27 riverside villages of Bhadrachalam taluk and 17 villages of Nugur taluk.

LOCALLY PRODUCED "FOREIGN" SPIRIT.

34. *Manufacture and supply.*—As explained in paragraph 3, spirits of this class (local brands of rum, whisky, etc.), are manufactured in country spirit distilleries in the same manner as *arrack*, with the addition of colouring and flavouring matter. They may be issued at any strength not lower than 35° U. P. for gin and 25° U. P. for all other kinds of spirits not being denatured spirits on payment of a special rate of duty of Rs. 17-8-0 per proof gallon. Spirits on which the special rate of duty of Rs. 17-8-0 is levied are designated "Locally-made foreign liquor". The only restrictions imposed on distillers in respect of country-made spirits so excised are :—

(a) that they shall be issued only to persons licensed to sell "foreign spirits" or to private persons for domestic consumption, but not for sale; and

(b) that the spirit issued to licensed vendors, shall, in colour and flavour, resemble gin, brandy, whisky or rum.

35. As regards wholesale and retail sale, spirits of this description are subject to the same regulations and are sold in the same shops as imported European spirits. The bottles must be labelled "spirits compounded in India".

36. *Arrack* manufactured at the Chowghat distillery in Malabar from coconut toddy drawn from trees which have paid tree-tax is issued in bottles or other receptacles labelled "spirit manufactured in Malabar" to foreign liquor dealers throughout the Presidency on payment of duty at the rate of Rs. 17-8-0 per proof gallon. A rebate of tree-tax is granted to the distillers calculated at a fixed rate on each gallon returned.

37. *Issues and duty receipts.*—The quantity of locally-made potable spirits issued amounted to 18,924 proof gallons in 1927-28; 18,940 proof gallons in 1926-27 and 13,069 proof gallons in 1912-13. The duty realized thereon was Rs. 3.37 lakhs in 1927-28, against Rs. 3.37 lakhs in 1926-27 and Rs. 1.22 lakhs in 1912-13.

38. *Denatured spirit.*—Denatured spirit is manufactured at the Nellikuppam and Samalpet distilleries. 17,135 gallons were issued in 1927-28 from these distilleries. 17,267 gallons of denatured spirit were issued in 1912-13 against 17,215 gallons in 1926-27 issued from the same distilleries. The duty on such spirits locally manufactured was removed from 19th January 1917. The spirit is required to be rendered undrinkable by the addition of kila, antichlorine and pyridine unless for special reasons the use of other denaturants is permitted. Imported denatured spirit is subject to the same restriction. Free licences are granted for the possession and sale of denatured spirit. In 1927-28, 448 licences were issued, against 419 in 1926-27 and 192 in 1912-13 for the sale of such spirits, and 102 licences against 100 in 1926-27 and 44 in 1912-13 for possession by persons other than the distillers.

CHANDIA BETA, ET.

There is a duty levied for the establishment of distilleries controlled by the Assistant Commissioner for Distilleries, under

the orders of the Commissioner of Excise to approved applicants on payment of an annual license fee of Rs. 15. The establishment of breweries, which had previously been restricted to hill stations, was, in 1890-91, permitted elsewhere. In 1927-28 there were two breweries in the Presidency, one in the Chingleput district and the other in the Nilgiris. These breweries were under the supervision of Government officers. The Brewers were required to maintain accounts in such forms as the Commissioner of Excise prescribed from time to time, and duty at the rate of eight annas per Imperial gallon was levied once a quarter on the total quantity of beer brewed during the quarter, less 5 per cent. allowed for wastage.

In 1912-13, the duty levied per Imperial gallon was 3 annas, less 5 per cent. allowed for wastage.

From time to time, samples of the worts were taken and analysed.

40. "Indian Beer" has been defined as beer brewed in India from jaggery or crude cane sugar, which contains at least two bushels of malt and two pounds of hops per hogshead, and which is brewed at a higher original gravity than 1058° on a standard saccharometer. For the sale of such beer at the breweries a maximum price of Rs. 40 (excluding the Excise duty of Rs. 27 per hogshead) has been fixed and brewers are bound to sell to licensed dealers on payment of the value in legal tender.

41. *Issues*.—The total quantity of beer issued from the breweries amounted to 478,528 gallons, against 492,817 gallons in 1926-27 and 542,813 gallons in 1912-13. In addition, 44,667 gallons of Bangalore beer were imported during 1927-28, against 79,160 gallons in 1926-27 and 170,675 gallons in 1912-13.

42. *Vend.*—Beer was ordinarily sold in shops for the sale of "foreign liquors", but separate shops for the sale of country-made beer existed in the Nilgiris and in large towns in some of the other districts. There were 6 such shops licensed in the Nilgiris and 20 in other districts. In 1926-27 and 1912-13, there were 26 shops and 27 shops, respectively, for the sale of country-made beer in the Presidency. The right to retail beer in these shops was sold by auction. Brewers were prohibited from having any interest direct or indirect in the retail vend of beer in the Presidency, and they were required to supply beer to the shops at a price not exceeding Rs. 40 per hogshead exclusive of duty. Retail licenses for the sale of beer in bottles for removal from the premises were granted to purchasers of beer shops on payment of an additional fee of Rs. 50 per annum.

43. Holders of foreign liquor retail "off" licenses were prohibited from selling "Indian beer" as defined above. In places where there were separate beer shops the shopkeepers were permitted to sell beer brewed in India on English principles only in bottles as bottled at the brewery.

44. *Receipts*.—The total receipts from beer amounted to Rs. 5.38 lakhs in 1927-28 derived from the sale of beer shops, from the duty on issues from the local breweries above referred to, and from the duty on beer imported into the Presidency from Bangalore.

In 1912-13 and 1926-27 the revenue realized from country-made beer amounted to Rs. 2.30 lakhs and 5.03 lakhs, respectively.

IMPORTED LIQUORS.

45. *Vend.*—In the case of imported liquors the duties leviable under the Tariff Act in force were credited to Customs, the Excise revenue being derived from licenses for the privilege of vend. These licenses include the privilege of selling the liquors which in Madras come under the definition of "Locally-made foreign liquors", viz., beer, rum, etc. If foreign liquor was imported in bulk and bottled in the Presidency the bottles were each required to bear a printed label specifying the country of origin of the liquor, the description of the liquor, the name of the bottler and the fact that the bottling was done in India: these particulars should be furnished on the same label and as conspicuously as the trade description. The sale of medicated wines and similar preparations containing 20 per cent. and upwards of proof spirit but not more than 42 per cent. was prohibited except under a license.

46. The vend licenses were auctioned in the case of taverns licensed for the retail sale of liquor for consumption "on" and "off" the premises and in other cases were issued on payment of fixed fees. In addition to the beer licenses referred to in paragraph 42. licenses of the latter class were:—

- (1) *Wholesale license.*—Fee Rs. 1,000 per annum in the Madras town and Rs. 250 per annum in other districts. Under this license the consumption of liquor on the shop premises and its sale in quantities less than two Imperial gallons or a dozen reputed quart bottles or two dozen reputed pint bottles of each kind at a time are prohibited. The holders of this license have however the privilege of issuing to licensed dealers samples of liquor in quantities not exceeding one pint. Distillers and holders of licenses for the wholesale vend of foreign liquors are also granted (i) on payment of a separate fee of Rs. 250 per annum, licenses for the compounding and blending of foreign liquor for sale and (ii) on payment of separate fee of Rs. 50 per annum, licenses for the bottling of foreign liquor for sale.
- (2) *Retail "off" licenses* for the sale of all kinds of foreign liquor except "Indian beer". Fee Rs. 500 per annum in the Madras town, Rs. 1,000 or Rs. 750 in the Nilgiris except Gudalur, Rs. 250 in towns with a population of 25,000 and over at Kokkani, Yereland and Cochin, in Shiyali, Tiruthangudi, Tiruvadanai and Tenkasi taluks and Rs. 150 in the rest of the Presidency. Under this license the sale of less than one reputed pint or more than two Imperial gallons in one transaction is prohibited.
- (3) *Hotel license.*—Fee Rs. 500 or Rs. 250 per annum (according to the position of the first or second class) in Madras; Rs. 250 or Rs. 50 per annum on the Nilgiris, and Rs. 50 or Rs. 250 in the rest of the Presidency. In Madras the holders of "Hotel" licenses may also be granted a separate "bar" license for the sale of all kinds of foreign liquors under the same conditions and to the same extent as the "off" license, on payment of a monthly fee of Rs. 100 for

a 1st class and Rs. 50 for a 2nd class bar ; special bar licenses are also issued to others than holders of hotel licenses with the previous sanction of the Commissioner of Excise.

- (4) *Ordinary Refreshment room license*.—Fee Rs. 500 per annum in Madras and Rs. 75 in the rest of the Presidency. Under this license the sale of liquor for removal from the premises is prohibited.
- (5) *Railway and Dâk line refreshment room*.—License fee ranges from Rs. 50 to Rs. 250 per annum. Under this license the sale of liquor for removal from the premises is allowed only up to one reputed quart in the case of spirits or two reputed quarts in the case of other kinds of liquor to *bonâ fide* travellers.
- (6) *Occasional license*.—Fee Rs. 100 or less for each license. This license is granted for periods not exceeding 10 days at a time and no removal of liquor from the premises is allowed under it.
- (7) *Special license*.—This is granted on terms and conditions determined by the Collector in each case when the circumstances are such as not to allow the issue of a license of any of the descriptions specified above.
- (8) *Auctioneer's license*.—Fee Rs. 5 per annum.
- (9) *License for the sale of pure rectified spirits*.—Fee Rs. 10 per annum. Licenses of this class are issued to chemists and druggists and other approved persons or bodies for the possession of pure rectified spirits in quantities not exceeding 10 Imperial gallons. Sale under these licenses is not allowed for other than *bonâ fide* medical, scientific and industrial purposes and the maximum limit of sale at one time to one person is restricted to one reputed pint in the case of sale to a private individual, two reputed quarts in the case of sale to a chemist, medical practitioner or scientific body and three Imperial gallons to any Government, Local Fund or Municipal Hospital.
- (10) *License for the sale of medicated wines, etc.*—Fee Rs. 10 per annum. Licenses of this class are required to be taken out for the sale of medicated wines and similar preparations containing 20 per cent. and upwards but not more than 42 per cent. of proof spirit.

As in the case of "locally-made foreign spirits" minimum sale strengths of "Imported foreign spirits" have been fixed at 35° U. P. for gin, 30° U. P. for Colombo *arrack* and 25° U. P. for all other kinds of spirits, including Italian *arrack*, except denatured spirits.

47. The total revenue derived from Foreign liquor (exclusive of the beer licenses referred to in paragraph 42) was Rs. 7.83 lakhs in 1927-28 (compared with Rs. 6.32 lakhs in the preceding year and Rs. 5.56 lakhs in 1912-13) ; about half of this revenue was realized from the auction of tavern licenses. For figures showing consumption of potable foreign liquors, see statement II.

48. *Location of shops.*—For the year 1927-28 the number and location of shops in the Madras City were determined by the Excise Licensing Board appointed for the City. In District Municipalities and Unions of an urban character, special local committees wherever constituted advised the Collector in respect of the number and location of shops. In other areas, the number and sites of shops were determined by Collectors in consultation with the District Superintendent of Police. Representations made by District or Taluk Boards, Village Panchayats and other public bodies were duly considered, and weight was attached to local opinion and the opinion of persons specially interested, *e.g.*, railway authorities and large employers of labour. Instructions were issued to Collectors that, as a rule, rural shops must not be located without permission within a furlong of a metalled road, that, when shops on a roadside are sanctioned in rural areas, the minimum distance between such shops should ordinarily be 5 miles, that sites selected should be so far public that persons entering shops do not escape observation but not so prominent as to compel attention, and that, where possible, the shops should be located on Government land. The general rule is that shop licenses are issued for a single year; the number and sites of the shops are determined beforehand, and are not altered except for very special reasons. The system of selling *arrack* and toddy shops separately is calculated to facilitate the closure of such shops as are not really needed and has already brought about a very large reduction in their numbers.

During the latter part of calendar year 1927, Licensing Boards with non-official majorities were constituted by Government in 15 major municipalities in the Presidency and the Licensing Board for the City of Madras was reconstituted on similar lines. The Old Excise Advisory Committees for unions and municipalities were abolished and Advisory Committees with non-official majorities were formed for most of the Revenue-Divisional areas of the Presidency. These bodies met for the 1st time in November 1927 to consider the number and location of shops for the year 1928-29. The decisions of the new Licensing Boards are final, subject to the control of the Commissioner who shall report to the Government his reasons for not accepting any decision of the Board. As regards Advisory Committees for Revenue-Divisional areas, the rules provide that the Collector shall ordinarily accept the Committee's recommendation, and that, in case in which he differs from it, he should report his reasons with a copy of his order to the Commissioner of Excise.

49. *Advocacy of Excise Licensing Boards and Excise Advisory Committees.*—For the year 1927-28 the old Advisory Committees were consulted as usual regarding the number and location of shops in Municipalities and Union areas. The Committees recommended the closure of 11 shops on the ground of sites in respect of 93 shops; their recommendations were given effect in 11 and 59 cases, respectively. The Old Excise Licensing Board for the City of Madras met three times during the year.

50. *Steps being taken to reduce the drink evil.*—The end view of the Government is to reduce the consumption of alcohol as far as is possible without stimulating the demand for it. The measures which have been adopted towards this end are:—(a) increasing the rate of duty and taxation; (b) reducing the number of shops; (c) increasing the strength of Police and the limit of hours of sale; (d) closing the sale of *arrack* in certain areas where

toddy was the prevailing drink ; and forbidding the sale of liquor to women and certain hill tribes. These measures have for the most part been introduced since 1918-19. There has been a very marked decline in the consumption of licit *arrack* since 1919-20. The consumption of licit *arrack* during 1927-28 was less than that in any year since 1912-13 except 1925-26, while the number of cases reported under illicit distillation and kindred offences was the highest ; the figures of crime relating to illicitly distilled spirits which stood at 979 cases in 1912-13 stood at 2,632 in 1927-28, *i.e.*, an increase of 169 per cent. There was also a considerable increase in the number of cases of illicit manufacture of toddy ; the illicit manufacture and sale of *sontisoru* liquor by the fishermen of Madras City assumed large proportions. The figures of crime under illicit distillation and illicit manufacture of toddy were the highest on record and indicate not only that large quantities of illicitly manufactured liquor passed into consumption but that there was a considerable section of the people catering for the demand for such liquor. Several important seizures of illicit *arrack* were effected during the year. In one case 157 gallons of sugar-cane jaggery wash and two stills were seized. A number of stills actually at work during the night were seized in the Guntur district. Illicit distillation cases were also reported in areas where such crime was unknown previously.

51. *Experiments in prohibition.*—The experiment of closure of *arrack* shops in certain toddy drinking areas was continued during the year in the taluks of Shiyali, Tiruthuraipundi, Tiruvadanai, Tenkasi and Attur. There was a marked increase in the consumption of foreign liquor in the taluks of Shiyali and Tiruthuraipundi while in the taluks of Tiruvadanai and Tenkasi the consumption of this class of liquor continued to be much higher than it was during the year before the introduction of the experiment. There was also a decided advance in the consumption of *arrack* in the shops adjoining most of the 'dry' areas. 8 cases of smuggling of *arrack* and 2 cases of illicit distillation and kindred offences were detected during the year in Tenkasi taluk. There were also 9 cases of illicit distillation and kindred offences reported in Attur taluk. The experiment of prohibition of sale of liquor to the members of the hill tribes on the Nilgiris, except on a medical certificate, was continued during the year. There was an increase in the consumption of country spirits and foreign liquor. It is believed that the hill tribes have mostly contributed to the increased consumption of beer especially Indian Beer. They get their liquor mostly through middlemen. 52 cases of unlicensed sales and 22 cases of smuggling of liquor from adjoining taluks were reported in the year. The Government did not consider it desirable to prohibit the possession of liquor by members of the hill tribes.

52. *Temperance Societies, Municipal Councils and Local Bodies.*—The existing temperance societies continued to work during the year ; the results were, however, not striking. As in the previous year, the taluk boards of Ramachandrapuram and Bhimavaram did not permit the location of liquor shops on the lands vested in them nor the tapping of their trees for fermented toddy ; in the Nellore district the District Board refused to permit their trees to be tapped. These measures had no appreciable effect on crime or consumption.

53. *Any important or new legislation undertaken or resolution or bill discussed in the Legislative Council.*—On 22nd October 1927, Mr. A. Parasurama Rao moved the following resolution in the Legislative Council :—

‘ This Council recommends to the Government that total prohibition of drink in the Madras Presidency within the course of five years be declared to be their goal and that they do select immediately five districts in the Presidency and take all necessary measures to stop all importation, manufacture, sale and drink of all intoxicating liquors within the districts so selected.’

In the course of his speech, the mover said that by Acts and the rules framed under the Excise Act, the Government were encouraging drink, instead of putting down the evil altogether. He further said that the Government did not pursue their excise policy with a view to suppressing the drink evil, but on the other hand they wanted that even out of the evil money should be made. Several amendments were moved to the resolution and the amended resolution as finally adopted by the Council ran as follows :—

‘ This Council recommends to the Government that total prohibition of drink in the Madras Presidency within the course of twenty years be declared to be their goal.’

Officers of the Public Health Department have been authorised by Government to draw attention in their lectures to the effect of intoxicants on the human body and to the evil results of an excessive use of them. In connection with the resolution passed by the Legislative Council in October 1927, the Government have considered that the first essential step should be the creation of an active public opinion throughout the Presidency against drink, and the education of the masses on the evils of drink. Accordingly in August 1928 they accepted in principle the plan of contributing to the resources of non-official temperance organisations from public funds.

In November 1927 the sanction of the Governor General was conveyed to Mr. J. A. Saldanha's Madras Abkari (Amendment) Bill. The amendment was designed firstly to check the abuses connected with seizure of articles under section 34 and other provisions and secondly to reduce clubs selling liquors to the same status as shops according to the Amendment made by Bombay Act IV of 1925 to the Bombay Abkari Act.

The bill was introduced in the Council in September 1928.

During the budget Debate of March 1928 a motion for a reduction of the grant under VI—Excise by Rs. 100 was moved in the Legislative Council to record disapproval of the Excise policy of the Government. In the course of his speech the Excise Minister stated that the introduction of a policy of total prohibition would require addition to the substantive Criminal Law of India of an Act comprising a single penal clause to the effect that whoever imported, exported, transported, manufactured, sold or possessed liquor would on conviction be punished in some specified manner. Total prohibition was therefore according to him not only a Reserved subject but also a Central subject. He made this statement not without doubting its correctness as later on he stated that the question required a thorough examination and suggested that it was not expedient for any Minister to commit himself to any definite action that he would take in order to give effect to any resolution of the Legislative Council on the subject of total prohibition until the question had been closely examined.

The motion was lost by 33 votes against 45.

54. *Convictions for drunkenness.*—There were 7,218 convictions for offences, of which drunkenness formed a part in places in which the Town Nuisances Act was in force. The Madras City with 2,127 cases contributed 29 per cent. of the total number of convictions. For further information in respect of convictions for Excise and Opium offences and those relating to country spirits during the years 1912-13, 1926-27 and 1927-28 please see Statements IX and X.

55. *Excise Administration.*—From 1st April 1924 the combined Salt and Abkari Department which had been in existence since 1884-85 was divided into separate Departments—Excise and Salt. The Excise Department was also separated from the Board of Revenue. The control of the Excise Administration in the Presidency was vested in the Commissioner of Excise, who continues to be a Member of the Board of Revenue. There is a Secretary who belongs to the cadre of Assistant Commissioners and an Assistant Secretary in the scale of Rs. 400—50—650. Under the Commissioner is the force employed for the realisation and protection of the excise revenue. The superior officers are 10 Assistant* Commissioners (8 on Rs. 600—50—900 a month, 2 on Rs. 1,000—100—1,200 a month) in charge of divisions comprising groups of districts; 65 Inspectors (on Rs. 325—525) in charge of Circles forming parts of districts; two Inspectors on Rs. 325—525) for the supervision of 9 distilleries and 30 Assistant Inspectors (on Rs. 150—200 a month) and 650 Sub-Inspectors (on Rs. 60—90 a month).

56. The functions of these establishments with respect to the liquor traffic are the supervision of distilleries, the prevention of illicit distillation and smuggling of country spirit, the examination of shops, the marking of licensed palm trees under the tree-tax system, and the prevention of tapping from unlicensed trees. The sales of the right of vend of liquors of all descriptions to which the auction system applies are, as a rule, conducted by the Land Revenue officers who are assisted by the special establishment with information in respect of reasonable prices for shops and farms, combination among bidders to reduce prices and similar matters. Collectors are generally responsible for the Excise Administration of their districts, though relieved of preventive work by the officers of the Excise Department who are in other respects their Assistants for Abkari purposes. Assistant Commissioners have been relieved of direct control over distilleries and warehouses in the Presidency. The two posts of Distillery Inspectors which were abolished on the formation of the separate Excise Department were restored with effect from 1st December 1927. The distilleries and warehouses are now under the control of the Distillery Inspectors who work under the orders of the Assistant Commissioner for Distilleries. An Inspector has been appointed for the detection of offences connected with *ganja*, cocaine, opium and other excisable articles especially on railways; he is also in charge of the Excise Intelligence Bureau, Madras. There are two Assistant Inspectors working under him. In order to increase the usefulness of the Bureau the finger print system

* One did duty as Secretary to the Commissioner of Excise, one as Assistant Commissioner for distilleries in the place of the late Abkari Deputy Commissioner and one was deputed to do duty as Superintendent of Excise, Civil and Military Station, Bangalore.

of identification of the offenders under the Abkari and Opium Acts has been introduced, but the registration of finger prints in Abkari and Opium cases is left to the Police.

With a view to deal more effectively with excise crime committed by expert offenders a separate establishment in the shape of a flying squad with one Assistant Inspector and five peons was sanctioned by Government as a temporary measure and this staff has been working from 2nd May 1927.

57. Calculated on the Census returns of 1921, the average total Excise revenue in Madras was Re. 1-3-11 per head in 1927-28, of which nearly 89 per cent. was realised from liquor. In 1912-13 the average total Excise revenue per head of the population was Re. 0-12-9 and in 1926-27, Re. 1-3-0.

CHAPTER II.—BOMBAY PRESIDENCY PROPER.

58. *Excise revenue.*—The total Excise receipts (excluding revenue derived from excisable articles issued to Indian States) for the year ending 31st March 1928 amounted to Rs. 3,48.80 lakhs as shown below :—

	Receipts (in lakhs of Rs.)	Percentage of total excise receipts.
(1) Country spirit	218.00	62.5
(2) Toddy	47.62	13.6
(3) Duty on rum, etc., manufactured in India and excised as foreign	7.48	2.1
(4) Duty on Malt liquors manufactured in India ..	0.21	0.1
(5) License and Vend fees on imported liquors, etc. (in- cluding receipts from commercial spirits) ..	14.96	4.3
(6) Opium and its preparations	28.31	8.1
(7) Hemp Drugs	21.61	6.2
(8) Fines, forfeitures and miscellaneous	2.13	0.6
(9) Recoveries from Government Commercial Under- takings	8.48	2.5
Total ..	348.80	100.0

NOTE.—Item 9 is a new item and shows Recoveries from Government Commercial Undertakings, such as profits from distilleries and realisations from the sale of old distillery plant, etc.

In the previous year the total Excise revenue amounted to Rs. 3,20.65 lakhs and the revenue realised from country spirit was Rs. 2,11.26 lakhs. The corresponding figures for the year 1912-13 were Rs. 1,88.65 lakhs and Rs. 1,45.65 lakhs, respectively.

This Memorandum is concerned only with the first five items.

59. *Law regulating liquor traffic.*—The liquor traffic in Bombay was regulated by the Bombay Abkari Act V of 1878, as amended by Bombay Acts III of 1892, I of 1903, III of 1905, XII of 1912 and IV of 1925. The Indian States in the Presidency* have, as a rule, either leased their Abkari rights to the Bombay Government, or manage their Abkari matters in accordance with agreement made with that Government.

*Excluding Cutch, those in Kathiawar and under the Banas Kantha Agency and the States of Idar, Danta and Pol in the Mahi Kantha which do not adjoin British Districts.

COUNTRY SPIRIT.

60. What is known in Bombay as "country spirit" is manufactured after European methods in large and well organised distilleries. The spirit is distilled either from the dried flowers of the mahua tree (*Bassia latifolia*) or from molasses. The whole of the Bombay country spirit revenue is realised partly under the contract supply system and partly under the departmental supply system, described in the following paragraphs.

CONTRACT SUPPLY SYSTEM.

61. *Description of system.*—Under this system the right of manufacture and wholesale supply of country spirit in each district or group of districts is given to a selected tenderer at a fixed price per gallon at specified warehouses, whence it is sold to retail vendors at a price fixed by Government. The system was confined in the year 1927-28 to the Mahi Kantha leased area and the Sankheda Mewas leased area which were supplied from the Dabhoda Distillery in Mahi Kantha.

DEPARTMENTAL SUPPLY SYSTEM.

62. Under this system the distilleries are worked, and the liquor supplies to the licensed shops are managed departmentally. The price charged to the licensees for the liquor is fixed by Government on the same principle as that for the areas supplied under the contract supply system. There were three distilleries working under departmental management, *viz.*, the Nasik distillery, the Khanapur distillery and the Dhadgaon distillery. The Nasik distillery supplied in 1927-28 the Bombay City and the districts of Thana, Kolaba, Nasik, Poona, Sholapur, Ahmednagar, East and West Khandesh, Ahmedabad, Kaira, Panch Mahals, Broach and Surat; the Khanapur distillery—the districts of Satara, Kanara, Belgaum, Dharwar, Bijapur and Ratnagiri up to 29th February 1928, on which date the distillery was closed and converted into a warehouse. The area which was supplied by the Khanapur distillery was taken over by the Nasik distillery and the supplies made from the Nasik distillery with effect from 1st March 1928; and the Dhadgaon distillery—the Akrani tract in West Khandesh.

63. Liquor was supplied to retail vendors either from a distillery or from a bonded warehouse. There were no warehouses in the Belgaum district as it was easy to supply it from the distillery direct; whilst others, such as Surat, Nasik, Thana, Kolaba, Ratnagiri, Kanara and Dharwar had more than one warehouse. The number of warehouses during the year under review was 37.

64. *Supervision of distilleries.*—At each distillery except Nasik which had a Superintendent, there was a resident Inspector with a small subordinate staff whose duty it was to protect the revenue by checking the various processes of manufacture and passing the liquor out for consumption. With the exception of the Seuri and Ahmedabad and Khanapur warehouses, which were in charge of resident Inspectors, all liquor warehouses were in charge of Sub-Inspectors with a similar staff. The cost of this staff was borne by Government. All the distilleries with the exception of that of Dabhoda and some of the warehouses were the property of

Government. The remaining warehouses belonged to private individuals and were leased by Government for various terms.

65. *Strengths of issue.*—Liquor could be issued from the distillery for removal to the bonded warehouse at four strengths, viz., Overproof, 30° U. P., 40° U. P., or 60° U. P.; but liquor of overproof strength had to be reduced at the warehouse to the authorised sale strengths of 30° U. P., 40° U. P. or 60° U. P. before it was issued to retail vendors. As a rule all liquor issued from the distilleries to warehouses was at overproof strength.

66. *Rates of still-head duty.*—The rates of duty charged varied not only in different districts, but in parts of the same district. They ranged in the years 1926-27 and 1927-28 from Rs. 2-4-0 to Rs. 7-12-0 per gallon on spirit of 40° U. P. (corresponding to Rs. 3-12-0 and Rs. 12-14-8 per proof gallon) and from Re. 1 to Rs. 5 per gallon on the 60° U. P. spirit. In 1912-13 they ranged from 12 annas to Rs. 5-4-0 per gallon on spirit of 25° U. P. and from 6 annas to Rs. 2-10-0 per gallon on the 60° U. P. spirit.

67. *Strengths at which liquor was sold.*—As stated in paragraph 65 liquor was sold ordinarily only at two strengths, viz., 40° U. P. and 60° U. P. though in a few cases the sale of 30° U. P. was allowed. In 1912-13 liquor was sold ordinarily only at two strengths, viz., 25° U. P. and 60° U. P., but it was also sold at 40° U. P. in certain parts. The sales were subject to no maxima selling prices.

68. *System of disposal of shops.*—Shops were sold by unrestricted public auction with the exception of those in the Akrani tract of the West Khandesh district. The retail vendors obtained the privilege of vend for single shops by bidding in open auction.

69. *Rationing of shops.*—The system of rationing liquor shops, which was introduced from 1st April 1922, except in the Akrani tract was continued during the year. Shops were auctioned for a period of 12 months from 1st April 1927. The rations for Bombay City and the mofussil (excluding the Panch Mahals and the East and West Khandesh districts) were fixed at 5 per cent. below the rations of 1926-27, while the rations for the Panch Mahals and the East and West Khandesh districts were fixed at the same figure as for 1926-27.

70. *Revenue, Consumption and average taxation.*—The revenue realised under this system in 1927-28 amounted to Rs. 218.00 lakhs; of this Rs. 130.96 lakhs were realised from duty and Rs. 87.04 lakhs from vend fees. The issues of spirit amounted to 1,286,161 proof gallons. The average taxation was thus Rs. 16.95 per proof gallon, of which Rs. 10.18 were derived from duty and Rs. 6.77 from vend fees. In 1926-27 the revenue realised under this system amounted to Rs. 211.26 lakhs and the quantity of spirit issued was 1,297,176 proof gallons. The average taxation was thus Rs. 16.29 per proof gallon. In 1912-13 the receipts from spirits under the contract supply system amounted to Rs. 96.64 lakhs and the issues of spirit to areas under the same system amounted to 1,826,089 proof gallons. This gives an average taxation of Rs. 5-4-8 per proof gallon. The average consumption of country spirit per 100 of population

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was 8.03 proof gallons, against 8.1 proof gallons in 1926-27 and 16.30 proof gallons in 1912-13.

TODDY.

71. As in Madras, the Bombay toddy revenue was derived from two sources, *viz.*, tree-tax on the palms from which toddy was drawn, and license fees for the right of vend ; but the total revenue obtained was much smaller than it was in Madras. In Madras fresh toddy was exempt from taxation, in Bombay no such exemption was allowed, as it is held that fermentation begins in toddy as soon as it is drawn from the trees.

72. *Tree-tax.*—Tree-tax was universal in the Bombay presidency, but the rates charged per tree tapped varied materially in different districts, and even in parts of the same district. They were highest in 1927-28, as in the previous year, in Bombay itself and in parts of Thana, Kolaba and Surat, *viz.*, Rs. 12 on each cocoanut and palmyra tree tapped and Rs. 6 on each date and wild palm, and as low as 8 annas and 4 annas per tree in Kaira and Panch Mahals, respectively. The more common rate was Rs. 6 for a cocoanut or brab and Rs. 3 for a date or wild palm. The rates of tree-tax were the same in the year 1912-13.

73. The trees licensed to be tapped were indicated by numbers and marks. These were affixed by the licensees themselves under the supervision of Excise officers.

74. *Domestic consumption licenses, etc., in Kaira.*—In the Kaira district, licenses were granted to the owners of trees to tap on payment of tree-tax a limited number of trees for domestic consumption only. If shops were set up for sale of toddy, a license fee of Rs. 10 a year was imposed.

75. *Domestic consumption licenses in the Panch Mahals.*—In the Panch Mahals, licenses for domestic consumption were granted free, *i.e.*, without payment of any fee or tree-tax to each household, the number of free trees allowed being not more than one tree for every two toddy drinkers. If any trees were tapped in excess of this free allowance, or for the sale of toddy, a tax of 4 annas per tree tapped was levied. Toddy was allowed to be sold under a booth license which was granted at a fee of Re. 1 per year. No shops were allowed.

76. *General license fee system.*—In the remaining districts the sale of toddy was conducted under the separate licensing system under which four kinds of licenses were ordinarily allowed :—

- (a) Shop licenses ;
- (b) Tree-foot booth licenses ;
- (c) Domestic consumption licenses ; and
- (d) Hawking licenses in the Town and Island of Bombay.

These licenses were granted on payment of tree-tax and in the case of shop, tree foot booth and hawking licenses, on payment of license fees in addition. In the case of hawking licenses the number of trees to be tapped was limited to 25. Such licenses have been abolished in the mofussil in accordance with the policy of Government and in Bombay they are

annually reduced by 20 per cent. with a view to their total abolition within a period of 5 years.

77. There were, however, some variations in the way in which this system was applied to the different districts.

(1) In the Town and Island of Bombay the tappers were independent of the shopkeepers. They paid the tree-tax and supplied the toddy as they pleased to shopkeepers and hawkers. The shop licenses and tree-foot booths were disposed of by open auction, while hawkers were given licenses on payment of a fee of Rs. 10.

(2) In all the remaining districts the system was uniform. The shopkeepers made their own arrangements with tappers who got tapping licenses on the application of shopkeepers and on payment of tree-tax. In all these districts, except Ratnagiri toddy shops were auctioned for a period of one year only from 1st August 1926 to 31st July 1927. In Ratnagiri the period ran from 1st April 1927 to 31st March 1928.

Licenses to tap and sell toddy at the tree-foot booths were also auctioned for a period of one year from 1st August 1927 to 31st July 1928 in all the districts except Ratnagiri where the period was from 1st April 1927 to 31st March 1928.

Licenses to tap a limited number of trees for domestic consumption only were issued to the owners of trees on payment of tree-tax only.

(3) Maximum prices for the retail sale of toddy at shops and tree-foot booths were abolished with the introduction of the auction system in all the above districts.

With a view to encourage the manufacture of *gul* from the juice of toddy trees the tapping of these without the payment of tree-tax was permitted.

78. *Toddy receipts*.—The consumption of toddy was largest in Thana, Broach, Surat and West Khandesh districts and in the Town and Island of Bombay. The total revenue realised under this head in the year under report amounted to Rs. 47.62 lakhs, of which Rs. 18.33 lakhs were obtained from tree-tax. In 1926-27 the total revenue amounted to Rs. 46.63 lakhs, compared with Rs. 19.96 lakhs in the year 1912-13.

INDIAN FOREIGN SPIRIT.

79. Rum, and other potable liquors, rectified spirits, spirits of wines, etc., manufactured in the Bombay Presidency or imported from other parts of India and treated as "foreign liquors" for fiscal purposes were assessed to duty at the rate of Rs. 17-8-0 per proof gallon and were sold under licenses for the vend of foreign imported liquors. The duty on Indian-made spirits used in medicinal and toilet preparations manufactured in the Bombay Presidency, or imported into the Presidency from Indian States within the geographical limits of the Bombay Presidency, was levied at a reduced rate of Rs. 5 per proof gallon. This concession rate applied also to other Indian States and British Indian Provinces if the same treatment was accorded to exports of similar preparations from the Bombay Presidency. Rectified spirit of Indian manufacture used for denaturation or industrial purposes under proper authority was exempt

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from duty. The use of duty free alcohol was also allowed to selected schools and colleges for teaching and research purposes. The duty on rum, etc., falling under this head, amounted in 1927-28 to Rs. 7.48 lakhs, against Rs. 6.74 lakhs in the preceding year and Rs. 2.756 in the year 1912-1913.

MALT LIQUORS MANUFACTURED IN INDIA.

50. There were no breweries in this Presidency.

IMPORTED LIQUORS.

51. These paid Customs duty on arrival in India and the Excise revenue was realised in the shape of vend fee at the rate of Re. 1-8-0, Re. 0-12-0 and Re. 0-6-0 per dozen quart bottles of spirit (except rectified spirit), wine and beer respectively, and Rs. 2-0-0 per dozen quart bottles of rectified spirit of proof strength when the liquor was in bottle and at the rate of Re. 1-0-0 per proof gallon of spirit and Re. 0-6-0 and Re. 0-3-0 per bulk gallon of wine and beer, respectively, when the liquor was in wood. This vend fee was levied at the time of clearance from the Custom House, in addition to the license fee charged for the right of vend at the shops. Fees at these rates were also levied on Indian-made foreign liquor manufactured in the Bombay Presidency or imported from other parts of India. The shop licenses were classified as (1) "wholesale" with a minimum limit of sale of two gallons in the case of potable spirit; (2) "Retail on" (both in Bombay City only) and (3) "Off" with a minimum limit of sale of one pint (4) "wholesale denatured spirit" with a minimum limit of five gallons (both in Bombay City and mofussil). In Bombay 150 "wholesale", 60 "retail off", and 36 "retail on" licenses were issued in 1927-28, whilst 136 "off" licenses were issued in the mofussil. There were also special licenses for sale in hotels, refreshment rooms, travellers' bungalows, etc., with the exception of a few non-privileged "on" shop licenses in the town and Island of Bombay, which were disposed of by public auction, the remaining licenses were all issued on payment of fixed fees, the rates of which varied according to the circumstances of each case. Licenses were also issued on payment of a small fixed fee for the sale of imported liquors at Military Canteens established under the "Canteen Tenant" system.

52. *Number of licenses and sale strengths of foreign liquors.*—The number of licenses for the sale of foreign liquors was 2,341, against 2,265 in the preceding year. The increase was due to an increase in the number of wholesale and retail licenses for the sale of denatured spirit used for industrial purposes and of temporary refreshment stall licenses.

The minimum strength at which foreign liquor could be sold in Bombay or in the mofussil was 35° U. P. in the case of gin and 25° U. P. in the case of other potable spirits; liquors, whiskies and brandies selling at not less than Rs. 50 per gallon were however permitted to be sold at strengths lower than 25° U. P.

53. *Imports and consumption of foreign liquors.*—The imports of foreign liquors into Bombay City by sea during the year under review,

compared with those of the previous year and 1916-17 were as follows :—

Year.	Fermented Liquors.	Wines.	Potable spirits.
	Liquid gallons.	Liquid gallons.	Proof gallons.
1927-28	1,289,134	82,519	257,435*
1926-27	1,154,788	95,863	292,839†
1916-17	973,785	95,545	252,749

*Includes 255 liquid gallons of liqueurs.

†Includes 474 liquid gallons of liqueurs.

The following table gives the statistics of sales of potable foreign liquors imported in the year under report, compared with those in the previous year and 1916-17.

Year.	Fermented Liquors.	Wines.	Potable spirits.
	Imperial gallons.	Imperial gallons.	Imperial gallons.
1927-28	585,042	35,268	206,414
1926-27	520,667	35,142	214,572
1916-17	717,849†	64,098	282,681*

* L. P. Gallons.

†Figures inclusive of those relating to liquor manufactured in India.

The increase in the consumption of fermented liquor which was mainly in Bombay city was due to the growing taste among the working classes for beer. This fact is also borne out by the corresponding decrease in spirits.

It may however be mentioned that the figures of sale of foreign liquor maintained by licensees are wholly unreliable. From 1st April 1928 statistics of foreign liquor are being kept in accordance with the new scheme sanctioned by Government. Moreover the apparent fall in potable spirits in the years 1926-27 and 1927-28 is due to the fact that from the year 1923-24 only actual retail sales have been taken into account in the case of Bombay, whilst statistics of previous years were made up of both

wholesale and retail figures as the licensees did not keep separate accounts of these transactions.

LOCATION OF SHOPS.

84. The number of liquor shops was gradually lessened wherever diminution was possible without risk of stimulating the sale of illicit liquor. Wherever new shops were opened, care was taken to ascertain previously the wishes of the local residents. Local Advisory Committees existed for the consideration of questions affecting the number and location of liquor shops both in Municipal and rural areas throughout the Presidency proper. The precise constitution of the Committees was determined by the Local Government. Ordinarily each of them had 9 members, of whom six were non-officials. The Government of Bombay have ordered that no new shops should be opened in any locality without their sanction which will be granted only in very exceptional cases.

85. *Temperance activity.*—No temperance activities of note were noticed in the Bombay City. In the mofussil, there were no temperance movements of any kind except that in Kundgaol Taluka, Dharwar district, where a small temperance movement was started by a section of the shepherd class. This class resolved to give up drink, as it was accorded a higher religious and social status among the Lingayats and wished to justify this uplift.

RESUME OF IMPORTANT RESOLUTIONS ISSUED.

86. (a) In connection with the Excise arrangements for the year 1927-28 it was directed that the rationing policy should be continued in that year in the whole of the Presidency with the modification that the rations for the districts of the Panch Mahals and East and West Khandesh should remain at the figures fixed for the year 1926-27. The reduction was directed to be made on the ration for the year 1926-27, and not on the consumption of 1920-21, the rate of decrease being 5 per cent. both in the Town and Island of Bombay and the mofussil. The system of auctioning excise licenses simultaneously throughout the Presidency which was introduced in 1926-27 was abandoned.

(b) In June 1927, it was directed that spirituous and other excisable articles sold by the Medical Stores Depot, Bombay, to non-Government institutions in the Bombay Presidency should be exempted from the payment of excise duty, provided that the concession was restricted to the medical institutions of local authorities and to such hospitals and dispensaries controlled by Indian States and private bodies as were admittedly conducted on charitable lines.

(c) In July 1927 orders were issued directing that in the case of new foreign liquor "off" shops the selection of the first licensees should be determined by auction, only such persons being allowed to bid as were considered suitable by the Collector.

(d) In a Resolution issued in September 1927, the Government expressed the view that it was not necessary to close liquor shops on election days.

(e) In their Resolution No. 5629/24, dated 7th February 1928, the Government of Bombay sanctioned a new foreign liquors scheme to be introduced in the Presidency proper with effect from 1st April 1928, as an experimental measure. It was designed to secure (1) more correct statistics of the consumption of foreign liquor, (2) a more equitable incidence of license fees and (3) stoppage of the loss of revenue due to private imports. In this connection the following orders have been issued :—

(a) that the functions of the wholesale dealer should be limited to supplying the trade only, including recognized clubs ;

(b) that all licensees (except the wholesale dealers) should pay license fees according to a fixed scale on the basis of their turnover subject to certain minimum amounts ;

(c) that private importers should pay fees on the scale fixed for clubs in addition to the vend fees ; and

(d) that cheap " foreign " spirits (both Indian-made* and imported) should be required to pay 50 per cent. extra fees.

(f) In order to make the most use of the Nasik distillery it was directed that rectified spirit, rum and brandy should be manufactured. The Commissioner of Excise was authorized to fix such sale prices for the last two classes of spirits as would yield a profit to the Government, without entering in any way into competition with the sale of country spirit.

(g) It was directed that the Indian states whose abkari administration had been taken on lease should be allowed, in addition to the amount of the provisional payment fixed under their agreements, the gain on liquor, that is, the difference between the cost price of country spirit charged to the licensees in their areas and the cost price to the Government including the incidental expenses. In the case of those States, the provisional payment to which had been fixed at an amount higher than the average annual revenue of the last three years of the preceding lease, the gain on liquor is to be reduced by the difference between the amount of the provisional payment and the actual receipts.

IMPORTANT ACTION TAKEN BY MUNICIPALITIES.

The representatives of the Bombay Municipal Corporation on the Excise Advisory Committee for the Town and Island of Bombay resigned in a body as a protest against the alleged indifference shown to their views by the Government.

87. Offences against Abkari Law.—The total number of cases detected during the year under report was 6,263 against 5,938 in the previous year and 2,795 in the year 1912-13. Of these, 5,822 and 5,416 and 1,282 related to liquor during the years 1927-28, 1926-27 and 1912-13, respectively, and the rest to hemp drugs and cocaine. Liquor cases therefore increased in the year under report by 406, the increase being due to high prices of licit liquor, and the vigorous efforts made by the Excise officers in suppressing crime. Cases under " illicit distillation " increased from 2,882 to 3,675. Case under " illicit importation, exportation and transportation " fell from 460 to 269 and those under " unlicensed sale " and " other mi-

*Except triple matured Resa Rum.

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cellaneous offences " from 158 to 78 and from 1,046 to 667, respectively. Cases under " illicit possession " increased from 870 to 1,133. Convictions for drunkenness were 3,455, against 3,447 in the previous year and 5,031 in the year 1912-13. Out of the total number of convictions for drunkenness during the year under report, 2,500 occurred in the Town and Island of Bombay.

ADMINISTRATIVE AGENCY.

88. The administration of the Abkari Department is vested by the Bombay Abkari Act in the Collectors of districts (under the general control of the Commissioner of Excise) assisted by a staff of a Deputy Commissioner and Superintendents of Excise, distillery and preventive Inspectors, Assistant Inspectors and Sub-Inspectors, ministerial officers (such as clerks and karkuns) and a force of peons. Certain powers under the Act are also conferred on officers of kindred departments, such as the Customs, Salt, Police and Forest who render assistance in checking the manufacture, importation or sale of excisable articles in contravention of the Act. For the supervision of distilleries and bonded warehouses in the Presidency proper, the Presidency has been divided into two divisions, viz., the Northern and Southern divisions. The distilleries and bonded warehouses in each division have been placed in charge of an Inspector. The whole cost of the distillery supervising establishment is debited to Government.

AVERAGE TOTAL EXCISE REVENUE.

89. Calculated on the figures of the census of 1921 the incidence of the total Excise revenue realised in the British districts of the Bombay Presidency outside of Sind (*viz.*, Rs. 348.80 lakhs) was Rs. 2-2-10 per head, of which about seven-eighths were attributable to liquors. The incidence of total Excise revenue per head of population in 1926-27 amounted to Rs. 2 as against Rs. 1.01 in 1912-13.

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90. *Excise revenue.*—The total Excise revenue for the year ending 31st March 1928 amounted to Rs. 45.20 lakhs and was realized under the following heads :—

Head.	Receipts in lakhs of rupees.	Percentage of total Excise receipts.
(1) Country spirit	23.30	51.56
(2) Toddy	0.05	0.11
(3) Duty on country rum, etc., manufactured in India and excised as foreign	0.06	0.14
(4) License and vend fees on imported liquors, etc. (including receipts from commercial spirits) ..	4.70	10.39
(5) Opium and its preparations	5.40	11.95
(6) Hemp Drugs	7.17	15.86
(7) Miscellaneous	4.52	9.99
Total ..	45.20	100.00

In 1926-27, the Excise revenue amounted to Rs. 40.58 lakhs, against Rs. 23.19 lakhs during the year 1912-13. Thus in a period of 15 years, the Excise revenue has nearly doubled. In 1926-27, the revenue from country spirit amounted to Rs. 21.86 lakhs, against Rs. 14.13 lakhs in 1912-13. This Memorandum is concerned only with the first four items.

91. The liquor traffic in Sind was regulated by the Bombay Abkari Act (V of 1878), as amended by Bombay Acts, III of 1892, I of 1903, III of 1905, XII of 1912 and IV of 1925.

COUNTRY SPIRIT.

92. Until the year 1909-10, the country spirit revenue in Sind was realized under a distillery system corresponding with the "Free supply system" under which manufacture is completely separated from vend and there is no monopoly of either. From 1st April 1910, the system was replaced by one of "Contract supply" such as is now in force in a part of the Presidency proper (paragraph 61). Under this system, the province was divided into three contract areas comprising (1) the district of Karachi, (2) the districts of Hyderabad, Nawabshah and Thar Parkar, and (3) the Sukkur, Larkana and Upper Sind Frontier districts. Molasses and *mahu* spirits were supplied to the Karachi and Hyderabad districts and molasses spirit elsewhere. The contracts for each of these areas were given out for a period of one year only in 1910-11 and were renewed

for the following year 1911-12. In 1912-13, the contracts for areas (2) and (3) were merged into one. From 1st April 1910 to 31st March 1918, a separate contract was also given out for the supply of *mahua* liquor to the Karachi and Hyderabad districts where alone such liquor was consumed. From the 1st February 1918 manufacture of country spirit in Sind ceased, pending the construction of an up-to-date distillery at Kotri and supplies were obtained by importation from outside Sind. The Government distillery at Kotri re-opened on the 27th September 1922 and commenced manufacture in October 1922. The importation of country spirit from outside Sind then ceased. Sind has now one contract area. The five year's contract held by the lessees of the Government distillery at Kotri expired on 31st March 1928. The contract has been further extended up to 31st March 1931.

93. *Arrangement of supply.*—Country spirit for supply to Sind was manufactured at Kotri and distributed from the Kotri distillery and Bonded warehouses at Karachi, Kotri and Sukkur. The bases used were molasses (imported from Java) and *mhowra* up to 1925-26 and thereafter molasses only. At Kotri a patent still has been installed with modern accessory plant, the cost in the first instance was borne by the contractors but under the terms of the contract, Government will take over the plant when the contract expires. The distillery and warehouse buildings were provided by Government and rented to the contractors. Before the Kotri distillery commenced manufacture, spirit was being imported by Government from distilleries at Amritsar and Cawnpore, and distributed to retail licensed vendors through a distributing contractor. A steam heated pot-still was also installed at the Kotri distillery in 1925-26 for the manufacture of extra superior and superior (*massala*) liquor.

94. *Still-head duty, etc.*—The following were the sanctioned rates of still-head duty in 1926-27 and 1927-28 :—

			Strength.	Rate of duty.		
				Rs.	A.	P.
Strong spirit	..	..	25° U. P.	8	0	0
Weak spirit	..	..	40° U. P.	6	4	0

In 1912-13, the rates of duty and the strengths at which both *mahua* and molasses spirits were issued, were as follows :—

			Strength.	Rate of duty.		
				Rs.	A.	P.
Strong spirit	..	..	10° U. P.	5	0	0
Weak spirit	..	..	40° U. P.	3	4	0

95. *Retail vend.*—The retail vend licenses throughout Sind are sanctioned for one year. The number of shops licensed for the retail sale of country spirit during the year under review was 106, compared with 112 in the preceding year and 249 in the year 1912-13.

96. *Average taxation and consumption.*—Of Rs. 20.30 lakhs realized from country spirit in 1927-28, Rs. 8.54 lakhs were derived from vend fees and the rest from still-head duty. The issues for consumption amounted

to 113,011 proof gallons, bearing an average duty of Rs. 13-1-0 per proof gallon and a total taxation of Rs. 20-9-11 per proof gallon. The average consumption of country spirit per 100 of population during the year under report amounted to 3.45 L. P. gallons. The total as well as average consumption per 100 of population of country spirit and the total taxation per proof gallon thereof, during the preceding year, compared with those in the year 1912-13, were as follows :—

Year.	Total consumption in L. P. gallons.	Average consumption per 100 of population (in L. P. gallons.)	Total taxation.		
			Rs.	A.	P.
1912-13	.. 228,204	6.49	6	3	1
1926-27	.. 109,384	3.34	19	15	9

TODDY.

97. Toddy was sold in the towns of Karachi (and its suburb Malir), Kotri, Hyderabad and Sukkur only. In the towns of Hyderabad and Sukkur shops were licensed for the first time from 1st January 1923. The quantity of toddy sold in 1927-28 was 19,736 gallons, against 18,149 gallons in the preceding year and 3,972 gallons in 1912-13 ; and the revenue realized was Rs. 4,769 against Rs. 5,199 in the preceding year and Rs. 1,265 in 1912-13. Immigrants from the Presidency proper were the chief consumers. 9 shops were licensed for the retail vend of toddy, 7 in Karachi and 1 each at Hyderabad and Sukkur. In 1912-13, there were only 4 shops authorised to sell toddy, 3 in Karachi and 1 in Larkana. The supply depended upon the willingness of private owners of trees to allow them to be tapped for toddy. The increase in the consumption may be put down to a greater demand by the labouring class owing to its cheapness. Supply arrangements were satisfactory. The tree-tax system was not in force. The contractors held the combined privileges of tapping and vend. Stocks at shops were usually exhausted on the day of their arrival, so that toddy was consumed in a comparatively fresh state. The palms tapped were situated at Malir, Jhampir and Kotri in the Karachi district and in the Sukkur town. No State-owned trees were tapped.

INDIAN SPIRITS EXCISED AT TARIFF RATES.

98. In 1927-28, 2,333 proof gallons of rectified spirit were manufactured at the Kotri distillery. In the preceding year, 1,562 proof gallons of this spirit were manufactured. Supplies of other kinds of spirit were obtained in small quantities from other provinces, and sold under the ordinary retail foreign liquor licenses.

There were no breweries in the province.

IMPORTED LIQUORS.

99. The duty on foreign liquors, etc., imported by sea was credited to Customs. The Excise revenue on these liquors was realized from the fees for the right of vend only.

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100. Ordinary vend licenses were of 3 classes, *viz.*, wholesale, and retail "OFF" and "ON" licenses. Wholesale licenses were granted only in Karachi to firms doing a large business. These licenses permitted the sale of liquors in quantities of not less than two gallons at a time. The fees levied per annum were as follows :—

			<i>Minimum.</i>	<i>Maximum.</i>
			Rs.	Rs.
License fee	..	..	1,000	Not fixed.
Bottling fee	..	..	50	100
Compounding fee	..	..	250	500

In addition to the minimum fee of Rs. 1,000, a vend fee at the rate of Re. 1-8-0. Rs. 2, Re. 0-12-0 and 0-6-0 per dozen quart bottles of spirits (except rectified spirit), rectified spirit, wine, beer, respectively, when the liquor was in bottles, and at the rate of rupee 1 per proof gallon of spirit, and rupee 0-6-0 and 0-3-0 per bulk gallon of wine and beer respectively, when the liquor was in wood, was levied at the time of clearance from the Custom House. Fees at these rates were also levied on corresponding Indian-made foreign liquors, manufactured in the Bombay Presidency or imported from other parts of India.

Retail 'OFF' licenses permitting the sale of liquor in quantities of not less than half a pint at a time and prohibiting consumption on the premises were granted in all districts at fees varying from Rs. 500 to Rs. 4,000 per annum.

Retail 'ON' licenses were granted only in towns and very sparingly. These licenses permitted the sale of liquor in any quantity for consumption on the premises.

Licenses for the sale of liquors in hotels and refreshment rooms were also granted at varying fees assessed on the basis of sales, subject to a minimum of Rs. 250 per annum in the case of hotels in Karachi, Hyderabad and Sukkur and Rs. 100 in rest of Sind; the fees for refreshment rooms, Karachi, Hyderabad and Sukkur varying from Rs. 2,000 to 7,000 and in the rest of Sind from Rs. 200 to 4,000. Licenses were also issued on payment of a fee of Rs. 24 for regiments and Rs. 12 for smaller units for the sale of foreign liquors at Military canteens, established under the "Canteen Tenant System".

Licenses for the sale of malt liquor of Indian-manufacture were granted in the towns of Karachi, Kotri, Hyderabad, Sukkur, Shikarpur, Rohri and Jacobabad on payment of a fee varying from Rs. 700 to 6,000 per annum.

In 1927-28, 21 wholesale, 37 retail 'OFF', 13 retail 'ON', 119 (47 permanent and 72 temporary) hotels, refreshment room and clubs, etc., 9 canteen and 8 beer licenses were issued. In 1926-27, the total number of such licenses issued was 197, against 205 in the year 1912-13. The licenses were disposed of by selection, and were as a rule renewed to the previous holders. The "Retail" "ON" shops in the towns of Karachi and Hyderabad and beer shops in all districts were disposed of by auction.

The minimum strength at which foreign spirit was permitted to be sold was fixed at 35° U. P. for gin and 25° U. P. for other potable spirits.

In 1912-13 also the minimum strengths of spirit were the same. Spirits and liquors sold at a retail price of not less than Rs. 50 per gallon were exempt from the restriction as to minimum strength. For figures showing consumption of potable foreign liquor, see statement II.

101. The following important changes (relating to liquors) were introduced during the year :—

- (a) Foreign liquor ' ON ' shops were auctioned for a period of three years ending 31st March 1930.
- (b) The scale of fees for the retail ' OFF ' licenses in the mofussil was revised and raised to 50 per cent. of that of a town shop.
- (c) Rules for the manufacture by compounding or reducing of imported and Indian-made foreign liquor at country liquor distilleries and warehouses were sanctioned.
- (d) The manufacture of flavoured country spirit of the strength of 40° U. P. at the Kotri distillery and its sale in sealed bottles was introduced.

102. *Excise crime.*—Liquor cases increased ; the increase occurring chiefly in cases of illicit importation, the chief cause being the high selling price of illicit liquor.

The number of convictions for drunkenness in municipal areas fell from 21 in 1926-27 to 15 in the year under report. As in the previous year, no conviction was recorded outside municipal areas.

There was a noticeable increase in the number of offences relating to hemp drugs only. This was largely the result of the activity of the Excise staff.

103. *Temperance movements.*—Temperance bodies existed in most of the big towns of the province, but showed little signs of activity during the year. The temperance society at Larkana has been merged in the Reform Association. The school masters continued to impress upon their pupils the evils of the drink habit.

104. *Excise Advisory Committees.*—As in last year the number of Excise Advisory Committees was 39. The total number of recommendations made by the Excise Advisory Committees was 7. Full effect was given to 4 and 3 were rejected.

105. *Location of shops.*—The objections of residents to the opening of new liquor shops were invariably invited and received the fullest consideration. Proposals to open new shops were also referred to the local Excise Advisory Committees.

ADMINISTRATIVE AGENCY.

106. The collection of the Excise revenue was in the hands of the Collectors of districts under the control of the Commissioner in Sind. A combined establishment was maintained for the protection of the Excise

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and Salt revenues. The establishment was subject to the authority of the Commissioner in Sind under the control of the Superintendent of Salt and Excise, Sind, who was aided by three Deputy Superintendents. The Deputy Superintendents acted also as advisers in Excise matters to the district Collectors.

AVERAGE TOTAL EXCISE REVENUE.

107. Calculated on the census of 1921, the average Excise revenue in Sind for the year 1927-28 was Re. 1-6-0 per head, of which about three-fifths was derived from liquors: In 1926-27 the incidence of Excise revenue per head of population amounted to Re. 1-3-10 of which the proportion derived from liquor was the same as in the year under report. In 1912-13 the average Excise revenue per head was Re. 0-10-6, of which about three-fifths was derived from liquor.

CHAPTER IV.—BENGAL PRESIDENCY.

108. *Excise revenue*.—The gross Excise revenue for 1927-28 was Rs. 224.69 lakhs and was realised under the following main heads :—

Heads.	Revenue (in lakhs of rupees).	Percentage of total Excise revenue.
(1) Country Spirit	87.58	38.98
(2) Country fermented liquors (<i>tari</i> and <i>pachwai</i>) ..	22.12	9.84
(3) Foreign liquors (including Indian beer)	12.84	5.71
(4) Opium and its preparations	47.99	21.36
(5) Hemp drugs	52.16	23.22
(6) Miscellaneous	2.00	.89
Total	224.69	100.00

In the previous year, the total Excise revenue amounted to Rs. 225.55 lakhs, and the revenue realised from country spirit was Rs. 90.58 lakhs. The corresponding figures for the year 1912-13 were Rs. 137.59 lakhs and Rs. 64.10 lakhs, respectively (*cf.* statements VII and VIII). The net revenue from Excise during the year 1927-28 shows an increase of 50.9 per cent. on the corresponding figure for 1912-13 and an increase of 0.12 per cent. on that of the preceding year.

This Memorandum is concerned only with the first three items.

109. *Law regulating liquor traffic*.—The Bengal Excise Act, V of 1909, as amended by the Bengal Excise (Amendment) Act, VII of 1914, and the revised statutory rules published in Government Notifications Nos. 595-S.R., 596-S.R. and 601-S.R., dated the 30th March 1915, as amended from time to time, were in force throughout the Presidency.

COUNTRY SPIRIT.

110. *Definition of "Country Spirit"*.—The expression "Country Spirit" in Bengal means plain unsophisticated spirit made from *mahua* and molasses and excised at special rates.

111. *System of supply*.—In 1912-13 the contract supply system was in force in the Burdwan, Presidency and Rajshahi divisions, the Sadar distillery system in the Dacca division, and the outstill system in the Chittagong division. During this year 8.43 per cent. of the whole area was under outstill system and the percentage of population served by that system was 11.52 (see statement V). In 1926-27 and 1927-28 the rights of manufacture and supply of country spirit to retail dealers throughout the Presidency were owned by 3 private distillers in the Presidency working under the English method. The distillers were formerly required to

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supply country spirit to retail vendors at a fixed price, determined by tender. As, however, the price of raw materials fluctuated considerably and the distillers were unable to tender at firm rates over long periods, the Government of Bengal modified the system, and directed that from the year 1921-22 the cost price of country spirit supplied to retailers should be fixed annually, on a consideration of the "cost price of raw materials" and the "manufacturing charges". The system has been modified from time to time and the present method of calculation and fixation of the cost price of country spirit, which is based on these two considerations was finally approved by the Government in 1926-27 and came into operation from the 1st July 1926.

The contracts with the distillers for the supply of country spirit in Bengal were renewed for a period of five years from the 1st July 1926.

Spirit manufactured at these distilleries was conveyed to and stored in warehouses built by Government, and situated at district or sub-divisional headquarters, or at other suitable centres within the supply areas. Each warehouse was in charge of a Government officer and was suitably guarded. The operation of storage, reduction, blend and issue in the warehouses were performed by the distillers' employees under the supervision of the Government officer in charge. The spirit was conveyed from the distilleries to the warehouses under bond, and duty was levied upon it as it was issued to the retail vendors from the warehouses.

In the whole of the Presidency, the strengths for the retail sale and the retail vend-prices of country spirit were fixed. Dilution by retail vendors was prohibited. The distillers were not allowed to have any interest in the retail business.

112. *Strengths of issue and rates of duty.*—The standard strengths at which spirit was issued to retail vendors from distilleries and warehouses varied during the years 1926-27 and 1927-28 in the Province as a whole, from 25° to 75° under proof.

The duty varied in these years from Rs. 16-0-9 to 0-14-0 per Imperial bulk gallon according to the strength, being highest in the districts of Calcutta, the 24-Parganas, Howrah and Hooghly, Dacca and Mymensingh, and lowest in certain tracts inhabited by aborigines in the Bankura and Midnapore districts in the Burdwan division and by hill men and others in the Darjeeling and Jalpaiguri districts. In 1912-13 the standard strengths at which spirit was issued to retail vendors varied, taking the Province as a whole, from 10° to 70° under proof, and the duty varied from Rs. 5-10-0 to Re. 0-13-4 per gallon, according to strength, being highest in Calcutta and lowest in certain backward tracts in the Burdwan division.

113. *Retail vend arrangements.*—Licenses for the retail sale of country spirit in the whole of the Presidency were settled during the years 1926-27 and 1927-28 under the "Bengal Licensing (Fixed-Fee) System", under which the retail-prices for consumers were fixed, and the monthly license fee for a shop was calculated on the monthly issues thereto according to a sliding scale, the rate of fee per L. P. gallon increasing with an increase in the total issues, thus securing a proper proportion of the monopoly value of each shop for the State. In 1912-13, the right of retail vend in distillery

areas was disposed of by annual auction, separately for each shop, except in Calcutta where licenses were auctioned every two or three years.

114. *Number of country spirit shops.*—In 1927-28, the number of licenses (permanent and temporary) for the sale of country spirit was $931 + 7 = 938$, compared with 1,287 in 1912-13—a reduction of 27.11 per cent., and $938 + 7 = 945$ in the year 1926-27—a reduction of 0.74 per cent. (cf. statement IV). In 1912-13, there was one shop to every 35,340 inhabitants, whereas in 1927-28 there was one to every 49,970. The average population per shop was thus increased by 41.39 per cent.

In 1912-13, the average area served by each shop was 57.2 square miles. In 1926-27 it was 76.44 square miles, and in 1927-28, 77.01 square miles.

Imperial Return III of the Bengal Excise Administration Report for 1927-28 shows 3 “distillers licenses” under the head “wholesale licenses for the sale of country spirit”. These represent licenses granted to the distillers to cover disposal of their liquor at the distillery or a warehouse.

In 1912-13, there were such 29 “distillers’ licenses” for the manufacture and wholesale sale of country spirit.

115. *Consumption of, revenue from, and average taxation on, country spirit.*—Including receipts from distillery and vend license fees the total country spirit revenue for 1927-28 in the Presidency was Rs. 87.58 lakhs, whereas in 1912-13 it amounted to Rs. 64.10 lakhs (including Rs. 0.83 lakh from outstill areas) and Rs. 90.58 lakhs in 1926-27 (see statement VII). The consumption of distillery liquor in 1927-28 was 591,935 proof gallons, or 1.24 L. P. gallons per 100 of population, against 851,534 proof gallons or 1.87 L. P. gallons per 100 of population in 1912-13—a reduction of 32.69 per cent. in average consumption—and 627,962 proof gallons or 1.35 L. P. gallons per 100 of population in the year 1926-27—a reduction of 8.15 per cent. in average consumption (cf. statement I). The average taxation per proof gallon in 1927-28 amounted to Rs. 14-12-8, of which Rs. 13-4-8 were derived from duty and the balance Re. 1-8-0 from vend fees, etc., whereas in 1912-13 the corresponding figures of total taxation, duty and vend fees were Rs. 7-6-10, 4-7-10 and Rs. 2-15-0. The figures for 1926-27 were Rs. 14-6-9, 12-14-10 and 1-7-11 (cf. statement VI).

COUNTRY FERMENTED LIQUORS.

116. *Tari.*—*Tari* is the sap of the palm and is used either when freshly drawn from the tree or after fermentation. “Palmyra” and “date” palms are chiefly used for its production. There were no Excise restrictions on manufacture and sale of “fresh *tari*”. The revenue from fermented *tari* was derived from shop license fees, and from a tree-tax in certain areas. The tree-tax system was in force in the Sadar and Serampore Sub-divisions of the Hooghly district and the whole of the Howrah district. The system was extended to Calcutta and the major portion of the district of the 24-Parganas as an experimental measure for three years with effect from the 1st April 1926.

The system consisted of the levy of a uniform tax on each tree tapped for the production of fermented *tari*, in addition to a vend license fee for each shop which was determined by auction. The tree-tapping licenses

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were issued on the application of (1) licensed retail vendors, (2) tappers and (3) tree owners (for not more than three at a time up to maximum of six trees for the whole year), and no *tari* was drawn from a tree until the latter had been properly marked by an Excise officer.

The rates of tax per tree were as follows :—

	Rs.
Date tree	2
Palmyra tree	3
Cocoanut tree	3

117. *Revenue and Licenses*.—The total revenue derived from *tari* in 1927-28 was Rs. 9.79 lakhs, compared with Rs. 4.5 lakhs in 1912-13 and Rs. 8.34 lakhs in 1926-27. In 1927-28, the number of shops licensed for the retail sale of fermented *tari* only (restrictions on sale of fresh *tari* having been removed, was 519, against 553 in 1912-13, a reduction of 59 per cent.—and 537 in 1926-27, a reduction of 3.3 per cent.

118. *Pachwai*.—*Pachwai*, otherwise called “handia” or “marua”, is a fermented liquor brewed from rice or millet. It is drunk chiefly by aboriginal tribes in several districts and is used both as a stimulant and as a food. It is the favourite drink with the lower classes in the major portion of the Burdwan division, the western half of the district of Murshidabad, and in the districts of Jalpaiguri and Darjeeling. Except in Darjeeling, where *pachwai* is chiefly made from millet, rice is the material employed for its production.

119. *Revenue, Licenses and consumption*.—The bulk of the revenue under this head was derived from licenses for “manufacture and retail sale” in the Burdwan and Presidency divisions. Outside the above two divisions there were “manufacture and retail sale” licenses only in the districts of Chittagong and Darjeeling. The revenue from “retail vend-licenses” and “home-brew” licenses amounted to Rs. 12.32 lakhs, compared with Rs. 8.59 lakhs in 1912-13 and Rs. 10.79 lakhs in 1926-27. The number of licenses issued for “retail sale”, “home-brew (annual)” and “manufacture of *pachwai* on special occasions” was as follows :—

	1912-13.	1926-27.	1927-28.
Retail sale	1,106	1,291	1,156
Home-brew	2,723	3,202	3,584
Manufacture of <i>pachwai</i> on special occasions	716	779	1,067
Total	4,545	5,272	5,807

The increase in the number of home-brew licenses in 1927-28, compared with that in 1926-27 was due mainly to the increase in the issue of such licenses by the managers of the tea-gardens in the district of Jalpaiguri who were empowered by Government to issue such licenses in order to check the extensive illicit brew of *pachwai* amongst the tea-garden coolies in the district.

The Bengal-fixed-fee system of settling *pachwai* shops, under which the monthly license fee is realised on a sliding scale based on the quantity of rice used in the manufacture, was in force in Burdwan, Birbhum, Bankura and Hooghly and Murshidabad districts, and partially in the Midnapur and Darjeeling districts. The system of detailed and scientific control over the manufacture and sale of *pachwai* in licensed premises which was introduced in 1919 continued in force. The administrative measures introduced in 1926-27 relating to further tightening up of the control over manufacture and sale of the article in licensed premises, *viz.*, (1) the fixation of a minimum strength of diluted *pachwai* sold in shops, (2) revision of the prescribed measures of dilution, and (3) proper arrangements for frequent tests of the strength of diluted *pachwai* had the desired effect. The control on "bakhar", the fermenting agent used for manufacture of both licit and illicit *pachwai* and for the manufacture of illicit spirit in the Presidency, is being gradually tightened. These measures effected considerable improvement in the quality of *pachwai* in all the districts where they were introduced.

120. *Special concession to aboriginal tribes.*—Licenses permitting home-brew of *pachwai* only for domestic consumption were granted in the districts of 24-Parganas, Dacca, Mymensingh, Tippera, Chittagong, Rajshahi, Malda, Dinajpur, Pabna, Bogra, Rangpur, Jalpaiguri and Darjeeling in the Presidency. The rates of tax varied from Re. 1 to Rs. 2 per household per annum.

Besides such annual licenses, special permits were also granted to applicants for home-brew of *pachwai* on special occasions, *e.g.*, marriages, etc., on payment of a tax of annas 8 per household on each occasion.

Free home-brew of *pachwai* only for private consumption was permitted to members of aboriginal tribes in a few districts during the annual Bandhana and *Pous Sankranti* festivals. It was also permitted to members of hill tribes in Darjeeling district up to a limited quantity. This privilege which was previously in force in Jalpaiguri district was withdrawn from there during 1925-26.

121. "*Wanchu*" (*A kind of fermented liquor prepared from rice*).—Licenses were granted to Chinese families in Calcutta, for the home-brew of "*Wanchu*" on ceremonial occasions on a tax of Rs. 2 per household on each occasion.

FOREIGN LIQUORS.

122. *Definition of "Foreign liquor".*—The term "foreign liquor" includes imported liquors of all kinds and certain Indian liquors specially classified as "Foreign liquor". It also includes rectified spirit, denatured and perfumed spirits and spirits used in drugs, medicines and chemicals.

123. *Classification and amount of revenue.*—The revenue of the Presidency from foreign liquors consisted of the duty on Indian-made "Foreign

liquors" levied under the Bengal Excise Act, and the fees paid for the right of vend of both imported and Indian-made foreign liquors. The duty under the Tariff Act was credited to the Imperial Government (Customs). The duty on the local manufactures was credited to the Provincial Government (Excise) and amounted in 1927-28 to Rs. 9.40 lakhs, against Rs. 2.38 lakhs in 1912-13 and Rs. 10.88 lakhs in 1926-27. The total receipts from license fees of foreign liquors of all kinds were Rs. 3.44 lakhs compared with Rs. 3.47 lakhs in 1912-13 and Rs. 3.32 lakhs in 1926-27. The revenue from license fees of potable foreign liquors only amounted to Rs. 3.30 lakhs, against Rs. 3.10 lakhs in 1926-27 and Rs. 3.43 lakhs in 1912-13.

124. *Vend Arrangements.*—The vend arrangements and the method of imposition and collection of tax on licenses for vend of potable foreign liquor were revised from April 1922. The main features are :—

- (a) The abolition of the previous classifications of "Wholesale", "Combined" and "Retail" foreign liquor licenses and the substitution in their place of a "License for sale to the trade" and a "License for sale to the public". Licenses for hotels, restaurants, cars and railway refreshment rooms are treated as "Licenses for sale to the public".
- (b) All transactions between licensed dealers of foreign liquor either of Bengal or of any other province, have to be covered by a pass, and are conducted under a "Trade License".
- (c) The license fee or license "tax" for sale to the "trade" is an annual fixed fee of Rs. 200 payable in advance and the tax for sale to the public is assessed every month at certain fixed rates on the quantity of liquor sold by "Public Licensees" to the public in Bengal in the preceding month.

The rates are :—

- (1) 12 annas per bulk gallon of Brandy, Whisky, Gin and Rum.
- (2) 3 annas per bulk gallon of Beer, Ale, and Cider.
- (3) 12 annas per bulk gallon of liquors.

The minimum strength for sale of whisky, brandy and rum was 25° under-proof and of gin 35° under-proof.

No compounding or blending of foreign liquors was permitted, except in premises duly licensed by the Collector in that behalf. Such licenses were granted only to licensed vendors holding "trade" licenses on payment of fixed fees per annum. The bottling of foreign liquors was also permitted only by such licensees under cover of a special license for which a fixed fee was charged.

125. *Number of licenses for the retail vend and consumption of potable foreign liquors.*—The total number of licenses issued for the retail vend of potable foreign liquors (spirits and fermented liquors) was 640, against 638 in 1926-27 and 544 in 1916-17.

The total quantities of potable foreign liquors sold to the public in Bengal by licensed dealers were as follows :—

						1916-17.*	1926-27.	1927-28.
Spirits	..	..	..	..	..	214,444	224,045	231,109
Wines	..	..	..	..	..	†39,056	†38,441	†38,924
Beer	..	..	..	..	..	295,508	463,984	540,567

126. Indian-made rum and rectified spirits were supplied from Shahjahanpur and from the local distilleries at Russa and Bahir Mirzapur Road in Calcutta and at Asansol and Konnagar. The total quantity of country rum and rectified spirits issued for potable purposes in the Presidency during the year under report was 17,960 proof gallons, of which 2,036 and 40 gallons were supplied from Shahjahanpur and the Dyer distillery, respectively, and the rest from the local distilleries, against 25,771 proof gallons in the preceding year. In 1912-13 the total quantity of rum and rectified spirits issued in the Presidency was 18,720 L. P. gallons.

127. *Country beer*.—Beer was brewed according to the English method in 1927-28 at the brewery at Sonada in Darjeeling. An annual fee of Rs. 200 was charged for the license for manufacture and wholesale vend. A duty of Re. 0-8-0 per gallon was levied on the beer manufactured. The revenue from this source during the year (including duty and wholesale license fees) was only Rs. 9,124 compared with Rs. 12,778 in 1912-13 and Rs. 10,903 in 1926-27. The total quantity of beer issued was 17,027 gallons, against 65,109 gallons in 1912-13 and 20,095 gallons in the preceding year.

No special licenses were issued for the retail sale of beer.

128. *Denatured Spirit*.—The limit of retail sale and ordinary private possession of denatured spirit by private individuals was one Imperial gallon, and passes were required for import, export and transport in excess of this quantity. Possession in excess of one gallon was allowed only to persons licensed to sell such spirit or to use it for industrial purposes. The limit of possession by a retail licensee was 60 gallons. The fees for wholesale and retail vend licenses were Rs. 50 and Rs. 5 respectively per annum. No fee was charged for possession of such spirit in large quantities for industrial or scientific purposes.

The ordinary denaturants prescribed were mixture of light cacutchoucine and pyridine (manufactured from mineral sources) in the

*The figures of consumption of foreign liquor for 1912-13 have not been given, as they were not accurate. Figures of 1916-17 have therefore been given instead.

†Excluding medicated wines.

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proportion of $\frac{1}{2}$ per cent. of each. But in denaturing spirit required for use in industries for which the above denaturants were not suitable, other ingredients could be used with special sanction in each case and subject to suitable excise restrictions. The use of undenatured spirit in processes in which denaturation of any kind was disadvantageous to the product manufactured was also permitted, where necessary, subject to certain restrictions regarding control.

No case of dilution of denatured spirit by licensed vendors was reported during the year. Nor was there any case brought to notice indicating the use of denatured spirits as a beverage during the year under review. License fees amounted to Rs. 4,430, against Rs. 8,260 in the preceding year and Rs. 2,823 in 1912-13. The total quantity of denatured spirit passed out from the Calcutta Custom House and the Asansol distillery in Bengal was 558,333 gallons, compared with 227,043 gallons in 1912-13 and 394,250 gallons in the year 1926-27.

129. *Perfumed spirit*.—Perfumed spirit, when manufactured from duty-paid foreign liquor that had not been denatured, was exempt from the provisions of the Excise Act, relating to possession or sale, provided it was used as a scent and not as an intoxicant. But the manufacture of such perfumed spirit required an Excise license which was granted free of charge.

130. *Rectified spirit*.—Rectified spirit could be sold wholesale by holders of foreign liquor "trade" licenses without any separate license. Foreign liquor "public licenses" did not cover the sale of such spirit. The issue of such spirit from a distillery or warehouse was prohibited except to licensed chemists or druggists, persons specially permitted to obtain such spirit for medicinal, industrial or scientific purposes, or persons holding licenses for the compounding and blending of foreign liquor. Chemists or druggists were licensed to sell rectified spirit, in retail quantities for medicinal, industrial or scientific purposes only. The fee for such licenses was Rs. 50 per annum.

Supplies of locally manufactured rectified spirit were allowed either in bond, or on payment of a special rate of duty, to respectable chemists or druggists for the manufacture of spirituous medicinal preparations.

8,598 L. P. gallons of rectified spirit, 217 L. P. gallons of absolute alcohol and 185 L. P. gallons of rum were issued duty-free for Government purposes, to various institutions for scientific purposes and for use in some hospitals. In 1912-13 the quantity of rum and rectified spirit issued duty-free was 15,132 L. P. gallons and in 1926-27, 7,542 proof gallons of rectified spirit, 21.5 L. P. gallons of absolute alcohol and 119.8 L. P. gallons of rum were issued duty-free.

Besides the above duty-free issues, 6,283 L. P. gallons of rectified spirit, 1,697 L. P. gallons of absolute alcohol and medicinal preparations containing 21,556 L. P. gallons of spirit were issued duty-free to charitable hospitals and dispensaries in the various provinces, while medicinal preparations and tinctures containing 60,888 L. P. gallons of spirit were sold by the various bonded manufactories, on payment of duty at Rs. 5 per L. P. gallon.

131. *Medicated Wines.*—Medicated wines and similar preparations containing foreign liquor were subject to no Excise restrictions prior to 1906-07. Since that year, however, such preparations containing alcohol equivalent to 20 per cent. but not more than 42 per cent. of proof spirit can be sold only by (a) foreign liquor licensees or (b) persons carrying on business as chemists, druggists, apothecaries or keepers of dispensaries who have been specially approved by the Collector and hold a special license in that behalf. If the preparations in question contain alcohol equivalent to more than 42 per cent. of proof spirit, they can only be sold by foreign liquor licensees. Preparations containing alcohol equivalent to less than 20 per cent. proof spirit are exempted from Excise restrictions.

132. *Sites of liquor shops.*—Sites of liquor shops were carefully selected, in accordance with the procedure prescribed in sections 30 to 37 of the Bengal Excise Act, V of 1909, as amended by the Bengal Excise (Amendment) Act, VII of 1914, and rules made thereunder, in consultation with the magisterial authorities, municipal and other local bodies, large employers of labour and local Excise advisory committees. Due deference was paid to the views of these bodies and to the opinions of local residents.

In Calcutta and Howrah cities Licensing Boards constituted by Government exercised the powers of regulation of the number and location of premises for the retail sale of intoxicating liquor and drugs, subject to the general control of the Government. The Calcutta Board was presided over by a non-official gentleman and had a majority of non-official members. Licensing Boards constituted by the Government in the districts of the 24-Parganas, Dacca, Rangpur and Chittagong in the year 1926-27, with a non-official majority in each were empowered to decide the number of licenses and the location of shops for the retail sale of excisable articles and opium, subject to the control of the Excise Commissioner.

In the municipal areas in the rest of the Presidency the Collectors were advised regarding the number and location of Excise and opium shops by local Excise Advisory Committees appointed by the Commissioners of divisions. In rural areas the Local Boards constituted the local Excise Advisory Committees.

133. *Achievements of Excise Licensing Boards and Advisory Committees.*—The Calcutta Board sanctioned the abolition of 1 country spirit, 1 *ganja*, 2 *tari*, 1 opium and 1 restaurant licenses and withdrew the privilege of 'on' vend from 1 country spirit shop. They sanctioned the transfer of sites of 4 country spirit, 1 *tari* and 1 *siddhi* shops and 1 restaurant, and the opening of a new Foreign Liquor public "Off" license and a new restaurant license. The Howrah Board sanctioned the abolition of one country spirit and one *tari* shop. On the recommendations of the Sadar Licensing Board of the district of the 24-Parganas, which had jurisdiction over the whole of the district except the Barrackpur sub-division, the abolition of one country-spirit and four *tari* shops were sanctioned. On the recommendation of the Rangpur Licensing Board the abolition of 2 country spirit, 3 *ganja* and 1 opium shops, and the transfer of sites of 1 country spirit, 1 opium and 1 *ganja* shops and the opening of 1 new *tari* shop were sanctioned. The Chittagong Board recommended conversion of one country spirit "on" license to an "off" license and change of sites of one *ganja* and one opium shop and the last two recommendations were

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accepted. The Dacca Board directed the change of sites of one country spirit and one *ganja* shop. The remaining Licensing Boards, viz., the Bally Board and the Barrackpur Board recommended no changes in the location and number of shops in their respective jurisdiction.

The above changes have been effected from 1st April 1928. All the Licensing Boards exercised due moderation and discretion in their decisions.

All the recommendations of the local Excise Advisory Committees in the rest of the Presidency were carefully considered and most of them were accepted. In accordance with their recommendations 2 country spirit, 4 *tari*, 7 *pachwai*, 1 *ganja* and 2 opium shops were abolished, the sites of 15 country spirit, 10 *tari*, 13 *pachwai*, 1 opium and 3 *ganja* shops were changed and 1 country spirit, 1 foreign liquor, 2 *pachwai*, 3 opium, 2 *ganja* and 9 *bhang* shops were opened with effect from 1st April 1928.

134. *Any important or new legislation or resolution.*—While most of the Advisory Committees showed due discretion and appreciation of existing conditions in their recommendations, a few recommended total abolition of all Excise and opium shops within their jurisdictions. The Advisory Committees of Bankura Sadar and Vishnupur Local Boards recommended immediate total prohibition. In the district of Mymensingh, the Tangail Local Board proposed total abolition of all Excise and opium shops in their areas. In Bakerganj district, the Sadar Local Board recommended abolition of all liquor and *ganja* shops within their area, the Perojpur Local Board recommended total abolition of all liquor shops in their jurisdiction and the Patuakhali Local Board recommended abolition of all the *ganja* shops in the Sub-division. In the district of Dinajpur, the Balurghat Local Board recommended the abolition of 8 country spirit, 9 *ganja*, 1 opium and 4 *tari* shops. The Sadar Local Board of Tippera district recommended abolition of all country spirit, *ganja* and opium shops in the rural areas.

The recommendations referred to above for total abolition of all drink and drug shops in particular localities were not accepted, as total prohibition is not the policy of the Government.

No Bill was introduced in the Local Legislative Council nor was any important resolution affecting Excise policy issued by the Local Government during the year.

135. *Temperance movements.*—Besides the work of the various temperance organisations in Calcutta, specially the Calcutta Temperance Federation, reports of temperance movements during the year were received from the following districts :—

- (i) *Murshidabad.*—The local Missionaries convened a temperance meeting at Saidabad.
- (ii) *Dacca.*—A temperance movement against the use of country liquor was started amongst the Indian Christians in the Joydevpur, Kaliganj and Sadar thanas by local Missionary gentlemen.
- (iii) *Mymensingh.*—It is reported that the aborigines in the district were trying to give up their habit of *pachwai* drinking,

under the influence of Christian Missions and a growing desire to rise in the social scale.

- (iv) *Dinajpur*.—Some workers of the Shuddhi movement devoted their attention to bring about abstention from drink among the aboriginal tribes.
- (v) *Bogra*.—It is reported that the Hindu Mission of Hili preached Temperance among the Santals in the district.
- (vi) *Darjeeling*.—It is reported that some newly started temperance associations and some Christian Missionaries directed their attention to the cause of temperance, but there was no tangible effect on the consumption of intoxicating articles.

136. *Prosecutions and convictions*.—Including 238 cases pending in 1926-27, 6,136 cases were disposed of, of which 5,622 or 91.62 per cent. ended in conviction. The total number of persons arrested during the year was 6,179 compared with 6,134 in the preceding year and 3,401 in 1912-13. The number of persons convicted was 5,500, against 5,546 in 1926-27 and 3,016 in 1912-13 (*cf.* Statement IX). There was marked increase in the number of persons prosecuted in Calcutta (317), Hooghly (131) and Murshidabad (87). The main heads under which the increase occurred, in these 3 districts were illicit manufacture of country spirit, *tari* and *pachwai*, and in Calcutta under illicit trade in cocaine besides other offences. Decrease in the number of persons prosecuted was noticeable in Midnapur (254), Burdwan (112), Dinajpur (64) and Bankura (52). 1,050 persons were arrested for "illicit distillation" and 239 for "possession or sale of illicit country spirit" as compared with 666 and 392 respectively in the previous year.

The arrests for "unlicensed sale of duty paid country spirit" decreased from 184 to 152. The prosecutions for "illicit possession of duty paid country spirit" increased from 26 to 40.

The prosecutions in connection with "*tari*" offences rose from 659 to 737. The increase occurred principally in the district of Calcutta. This offence was common amongst the *tari* drinking classes (especially the up-country people) of the Burdwan and Presidency divisions. The arrests for "illicit manufacture, sale or possession of *pachwai*" fell from 2,614 to 2,320. The decrease was most marked in Midnapur (285), Burdwan (104) and Dinajpur (59). On the other hand, there was a noticeable increase in Calcutta (102) and Hooghly (37). This offence was committed by the aborigines and semi-aborigines in the Burdwan division and in the districts of 24 Parganas, Calcutta, Nadia and Dinajpur and by the hill men of Darjeeling. In Jalpaiguri this form of offence was checked to a large extent by the issue of home-brewing *pachwai* licenses to the tea-garden coolies through the managers of tea-gardens at the rate of Re. 1 per license.

137. *Administrative agency*.—The Excise Department in Bengal was reorganised and amalgamated with the Bengal Salt (Preventive) Department in April 1915. During the year the Department was in charge of a Commissioner of Excise and Salt, and the staff included 2 Deputy Commissioners of Excise and Salt, one of whom was in charge of Calcutta as Collector of Excise, 24 Superintendents of Excise and Salt, 59 Inspectors of

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Excise and Salt, of whom 7 held charge of districts as "Inspectors of Excise in charge" and 263 Sub-Inspectors of Excise and Salt, besides petty officers and peons. The Superintendents of Excise and Salt and Inspectors of Excise and Salt in charge of districts were directly subordinate to the Collectors of the districts and carried on the Excise administration of the districts under their general supervision.

138. *Average total Excise Revenue*.—Calculated on the population according to the census figures of 1921, the average total Excise revenue of the Bengal Presidency was 7 annas and 8 pies per head in 1927-28, (of which more than a half was derived from "liquors"), as in the previous year. In 1912-13 the incidence of total Excise revenue, per head of population was 4 annas and 10 pies, of which nearly three-fifths was derived from "liquors".

CHAPTER V.—BURMA.

139. *Excise revenue.*—The total Excise revenue for the year 1927-28 was Rs. 123.60 lakhs made up as follows:—

Heads.	Receipts (in lakhs of rupees).	Percentage of total Excise receipts.
(1) Country spirit	15.03	12.2
(2) Duty on wines and spirits locally produced and classed as foreign liquor	2.90	2.4
(3) <i>Tari</i>	14.34	11.6
(4) Other native fermented liquors	41.30	33.4
(5) Duty on locally-brewed beer including license fees for the sale of such liquor exclusively	1.04	0.9
(6) License fees for the sale of imported liquors other than beer, medicated wine and commercial spirit and of locally produced spirit excised at the tariff rate	8.07	6.5
(7) Receipts from commercial spirits including denatured spirits and medicated wines	0.16	0.1
(8) Opium and its preparations*	38.41	31.0
(9) Fines, confiscations and miscellaneous	2.86	2.3
(10) <i>Deduct</i> refunds	0.51	0.4
Total	123.60	100.0

During the previous year, the total Excise revenue amounted to Rs. 134.46 lakhs, and the revenue from liquors represented 66.8 per cent. of the total Excise revenue. In 1912-13, the total Excise revenue was Rs. 85.21 lakhs, and the revenue from liquors formed 50.4 per cent. of the total Excise revenue.

This Memorandum is concerned only with the first seven items.

140. *Law regulating liquor traffic.*—The liquor traffic in Burma was regulated by the Burma Excise Act, 1917. In Upper Burma, the sale of any intoxicating liquor other than *tari* to Burmans was prohibited. There was no such restriction in Lower Burma.

*. Excluding sale-proceeds of confiscated opium to licensed vendors, but including cost price of opium at Rs. 28-3-0 a seer, which is omitted from the figures for 1912-13.

COUNTRY SPIRIT.

141. *Meaning of the term "country spirit."*—The term "country spirit" in Burma includes spirit manufactured at outstills and plain spirit manufactured at licensed distilleries and intended for issue to a licensed vendor of country spirit. In 1927-28 there were two such distilleries in the province. Spirit was supplied from these distilleries to areas which had been brought under the distilleries system as well as to those which were outside that system. Issues to the former areas were taxed at rates varying from Re. 0-10-0 to Rs. 14-1-0, compared with Rs. 2-8-0 to Rs. 7 in 1912-13 per proof gallon and were classed as "country spirit", while those to the latter were taxed at the rate of Rs. 17-8-0* per proof gallon, against Rs. 9-6-0 in 1912-13 and were classed as "foreign spirit". In both cases the spirit was manufactured from jaggery or *tanyet* (unrefined palm sugar).

Spirit manufactured in other parts of India and imported into Burma was taxed at the tariff rates and classed as "foreign spirit."

142. *Contract Distillery System. Its introduction and gradual extension.*—In 1905, a central distillery minimum guarantee system, on the lines of that formerly in force in Bombay, was introduced as an experimental measure in the Toungoo district and in parts of Mergui, Thatôn and Tavoy. Under this system, the three areas first named were supplied with uncoloured rum (classed as foreign spirit) from the distilleries at Toungoo and Moulmein, on payment of duty at Rs. 6 per proof gallon (the then tariff rate), while in the fourth area (Tavoy) the plain spirit produced in new distilleries established at Tavoy was classed as country spirit, and taxed at the rate of Rs. 4 per proof gallon. These arrangements were, however, not considered altogether satisfactory by the Government of India, and from the 1st November 1906, the Tavoy distillery was closed and the minimum guarantee system was replaced by the contract distillery system for the supply of spirit in areas in which the outstill system had formerly been in force.

The contract distillery system is modelled on the system in force in Madras (see paragraph 6) and was introduced in the first instance into parts of the Toungoo, Thatôn, Amherst, Tavoy and Mergui districts. It has since been gradually extended to additional areas in these districts and also to parts of other districts. With effect from the 1st May 1910, it was brought into force in parts of the Akyab, Bhamo, Myitkyina, Katha and Ruby Mines districts; with effect from the 1st May 1912, in parts of the Rangoon Town and Bassein districts; with effect from the 1st May 1913, in parts of the Kyaukpau, Sandoway and Henzada districts; with effect from the 1st May 1915, in parts of the Myaungmya district; with effect from the 1st May 1919, in parts of Salween district; with effect from the 1st May 1920, in parts of the Mandalay district; with effect from the 3rd January 1921, in parts of Magwe district; with effect from the 1st May 1923, in parts of Insein district; and with effect from the 1st May 1925, in parts of Pegu and Ma-ubin districts. In 1925-26 the system was thus in force in 21 districts. In 1926-27 and 1927-28 there was no further extension of the system.

* For issue to troops and the military police a special rate of Rs. 3-8-3 to Rs. 5-5-0 per proof gallon was fixed for distillery as well as non-distillery areas. This rate was based on the average of the rates in force in distillery areas.

143. *Distribution of supply contracts and rates of supply.*—In 1927-28 contracts for the supply of spirit to the above-mentioned districts were distributed between the two working distilleries of the province as follows:—

District.	Distillery to which allotted.	Period of contract.	Rate of supply per proof gallon.
Toungoo	Moulmein distillery	Three years and 2 months from 1st May 1927.	Rs. A. P. 1 14 0
Thaton	Do. ..	Do. ..	2 0 0 and 2 4 0
Salween	Do. ..	Do. ..	2 4 0
Amherst	Do. ..	Do. ..	2 4 0 2 6 0 and 2 8 0
Tavoy	Do. ..	Do. ..	2 2 0
Mergui	Do. ..	Do. ..	2 1 0 and 2 6 0
Magwe	Mandalay distillery.	Three years from 1st May 1925.	2 4 0
Mandalay	Do. ..	Do. ..	2 0 0
Bhamo and Myitkyina ..	Do. ..	Do. ..	2 8 0
Katha	Do. ..	Do. ..	3 0 0 and 3 8 0
Bassein and Myaungmya ..	Moulmein distillery.	Do. ..	2 0 0
Henzada	Do. ..	Do. ..	2 0 0
Ma-ubin	Do. ..	Do. ..	2 0 0
Rangoon Town	Mandalay distillery.	Three years and 2 months from 1st May 1926.	1 12 0
Insein	Do. ..	Do. ..	1 12 0
Pegu	Mandalay and Moulmein distilleries.	Three years from 1st May 1925.	2 2 0 1 2 0

District.	Distillery to which allotted.	Period of contract.	Rates of supply per proof gallon.
			Rs. A. P.
Akyab	Moulmein distillery	Three years and 2 months from 1st May 1927.	2 8 0
Kyaukpadaung	Do. ..	Do. ..	2 8 0
Sandoway	Do. ..	Do. ..	3 4 0

144. *Distribution of spirit and its retail sale. Issue strengths and rates of duty.*—Twenty-two bonded warehouses of which ten are situated in the Tenasserim division, three in the Arakan division, three in the Irrawaddy division, one in the Rangoon Town, one in the Pegu division, four in the Sagaing division, have been constructed for the distribution of spirit and 194 shops were opened in 1927-28 for its retail sale. In 1926-27 the number of shops licensed to sell spirit by retail was 196, against 98 in 1912-13. Nine of the retail shops were disposed of by calling for tenders of 1927-28. All others were sold by auction. A fixed issue strength of 40° U. P. was in force in Magwe district of the Magwe division, Rangoon town and the Arakan, Pegu, Irrawaddy and Tenasserim divisions, and 30° U. P. and 50° U. P. in the Mandalay division and the Sagaing division, and as stated in paragraph 141 above, rates of duty were imposed equivalent to rates varying from Re. 0-10-0 to Rs. 14-1-0 per proof gallon.

145. *Number and character of local distilleries.*—Both the distilleries referred to in paragraph 141 were licensed to work during the year 1927-28, one at Moulmein and the other at Mandalay. A Distillery Officer with a small guard was attached to each distillery and no spirit left the premises except under a pass signed by him. The distiller had to provide free quarters for this preventive establishment, and to pay a fee of Rs. 50 for his license. He could be called upon to deposit a sum, not exceeding Rs. 1,000 for the due fulfilment by him and his servants and agents of the provisions of the Excise Act and Rules thereunder and of the conditions of the license granted to him.

146. *Licenses for the vend of "foreign" spirit produced at local distilleries.*—"Foreign" spirit manufactured at the above-mentioned distilleries was sold in shops licensed for the sale of foreign liquors generally, but special licenses for the retail sale of locally manufactured "foreign" spirit exclusively were granted by auction at places where there was a demand for such spirit. Wholesale licenses for the sale of such spirit were also issued at a fixed fee of Rs. 50 per annum. In 1927-28, 83 wholesale and 100 retail licenses for all classes of foreign liquor were issued, and the receipts therefrom amounted to Rs. 8.07 lakhs. In 1912-13, 9 wholesale and 16 retail licenses were issued and the receipts therefrom amounted to Rs. 0.23 lakh.

147. *Issues, receipts and average taxation in distillery areas.*—The total issues of spirit from the local distilleries in 1927-28 amounted to 144,917 proof gallons, of which 117,006 gallons were issued on payment of duty at country spirit rates, 13,696 gallons on payment of duty at the tariff rate, 12,055 gallons on payment of the special rate of duty fixed for issues to troops and the military police, and 42 gallons free of duty. Two thousand one hundred and eighteen gallons of rectified spirit also were issued to a firm of manufacturing chemists at a duty rate of Rs. 5 per L. P. gallon for the manufacture of medicinal preparations. The total realisations from duty on these issues were Rs. 10.29 lakhs of which Rs. 7.40 lakhs represent duty on issues at "country spirit" rates. In the preceding year, the total issues of spirit from the local distilleries were 141,156 proof gallons, against 82,441 proof gallons in 1912-13. The total receipts from duty on these issues were Rs. 9.78 lakhs in 1926-27 and Rs. 4.09 lakhs in the year 1912-13. The license fees realised in distillery areas in 1927-28 for the sale of spirit excised at "country spirit" rate were Rs. 7.47 lakhs. The average taxation thereon was Rs. 12-4-2 per proof gallon of which Rs. 7-1-7 were realised from duty and Rs. 5-2-7 from vend fees. The average taxation per proof gallon in distillery areas during the previous year amounted to Rs. 6-14-10 (duty) and Rs. 4-12-3 (vend fees) or Rs. 11-11-1 in all, compared with Rs. 4-4-0 (duty) and Re. 1-14-8 (vend fees) during the year 1912-13.

The average consumption of country spirit per 100 of the population in 1912-13, 1926-27 and 1927-28 was .47, .86 and .89 proof gallon, respectively. See Statement I.

OUTSTILL SPIRIT.

148. The manufacture and sale of spirit under the outstill system was permitted only in remote places where there was an ascertained demand for such liquor, and where the shops could be constantly supervised by a magistrate or by an officer in charge of police-station or of a police outpost. The capacity of each still and the number of days in a week or month, during which distillation was allowed, were fixed by the Collector or other officer disposing of the license. Spirit was distilled from cane-sugar, jaggery, *tanyet* (unrefined palm sugar) or rice. The privilege of manufacture and sale during 1927-28 was sold by auction.

149. *Number of outstills and shops and receipts therefrom.*—In 1927-28, there were four outstills at work in Burma, one in the Pegu division, and three in the Tenasserim division. Each license for the distillation of outstill spirit carried with it the privilege of retail sale of such spirit at the actual place of distillation. In 1912-13, there were twenty-three outstills at work in Burma, ten in the Arakan division, three in the Pegu division, nine in the Tenasserim division and one in the Mandalay division. For the percentage of area under, and population served by the outstill system during the years 1912-13, 1926-27 and 1927-28, please see Statement V. The hill tribes residing in certain areas of the Tenasserim division were exempt from some of the provisions of the law relating to country spirit.

The receipts from outstills in the year 1927-28 amounted to Rs. 0.16 lakh against Rs. 0.10 lakh in 1926-27 and Rs. 0.60 lakh in the year 1912-13.

TARI.

150. Licenses for the retail vend of fermented *tari* are, as a rule, sold annually by auction ; but they can also be sold for a term of years not exceeding five. The number of shops licensed in 1927-28 was 493 and the fees realised therefrom amounted to Rs. 14.34 lakhs.

In 1926-27 the number of shops licensed for the retail vend of fermented *tari* was 494, against 712 in 1912-13, and the fees therefrom amounted to Rs. 14.34 lakhs, against Rs. 7.21 lakhs in 1912-13.

INDIAN FERMENTED LIQUORS, OTHER THAN TARI.

151. Under this description are included *hlawza*, *kaung*, *kazawye*, *seye* and *seinye*. These are manufactured from rice, fermentation being procured by the use of yeast, or other ferment.

The hill tribes within the Salween district and the Hill district of Arakan and Chins, Karens and Kachins inhabiting certain tracts in Upper Burma, were exempt from the provisions of the Excise Act relating to the manufacture of country fermented liquor. These people habitually manufacture such liquor from rice for domestic purposes on festive occasions, and the liquor is not generally sold to outsiders. Elsewhere except in Rangoon town vend licenses were disposed of by auction. The licenses included the right of manufacture, as well as that of sale at the place of manufacture. In Rangoon town a duty was imposed on the materials used in manufacture, at the rate of Rs. 3 per ten-gallon jar set up for fermentation, with effect from 1st July 1927. In order to simplify the working of this new system in the first experimental year all the licenses have been given to one firm of manufacturers at a license fee of Rs. 3,00,000. The duty realized in the 9 months from July 1927 to March 1928 was Rs. 5,36,700.

The number of licenses issued in 1927-28 was 320, against 319 in the preceding year and 386 in the year 1912-13, and the fees realised therefrom amounted to Rs. 41.30 lakhs, against Rs. 48.85 lakhs in 1926-27 and Rs. 19.28 lakhs in the year 1912-13.

LOCALLY MANUFACTURED MALT LIQUOR.

152. Licenses to construct, work and possess a brewery after the English method are granted with the sanction of the Local Government. There was only one such brewery in Burma in 1927-28—that of Messrs. Dyer Meakin & Co. at Mandalay. A fee of Rs. 100 was charged for the brewery license and an additional fee of Rs. 100 for the right of wholesale vend to shopkeepers. A duty of Re. 0-8-0 per gallon was charged on the liquor manufactured in the brewery on a calculation of 54 gallons per hogshead. The quantity of beer issued in 1927-28 amounted to 161,766 gallons, against 170,125 gallons in the preceding year and 241,449 gallons in the year 1912-13 and the duty realised during these years was Rs. 0.78 lakh, 0.83 lakh and 0.45 lakh, respectively.

153. *Vend*.—Retail licenses for the sale of locally manufactured malt liquor exclusively were granted, either by auction or at fixed fees by the Excise Commissioner. Such liquor could also be sold under general foreign liquor licenses. Wholesale licenses for the sale of malt liquor, like those for similar sale of locally distilled spirit, were issued at a fixed fee of Rs. 100

per annum. Thirty-three retail and two wholesale licenses were issued in 1927-28 and the fees realised therefrom amounted to Rs. 0.26 lakh. In 1926-27, thirty-five retail and two wholesale licenses were issued and the fees realised amounted to Rs. 0.19 lakh. In 1912-13 twenty-four retail and nine wholesale licenses were issued, and the fees realised therefrom amounted to Rs. 0.21 lakh.

IMPORTED LIQUORS.

154. The Excise revenue on these was derived, as elsewhere, only from fees for the right of vend. Licenses of the following kinds for the sale of imported liquors were granted on payment of the fixed fees specified against each :—

	Lower Burma Rs. per annum.	Upper Burma Rs. per annum.
(1) Wholesale license	750*	250
(2) General shopkeeper's license for consumption off the premise.	1,000†	500†
(3) Hotel license	100‡	100
(4) Bar and refreshment room license	500§	500
(5) Proprietary club license	250	250
(6) Railway refreshment room license	100‡	100
(7) Steamer license—		
(a) Inland	50	50
(b) Interport		
(8) Dining car license	Rs. 25 to Rs. 100 as was fixed by the Commissioner of the division in each case.	

Retail licenses for the general sale of both imported and locally produced spirit and fermented liquors were sold by auction in 1927-28. In that year 83 wholesale and 144 retail licenses were issued for the sale of such liquors. In the year 1912-13 the corresponding figures were 51 wholesale and 172 retail and in 1926-27, 84 wholesale and 144 retail.

The license fees realised for the sale of foreign liquors of all kinds amounted to Rs. 8.07 lakhs in the year under report, compared with Rs. 8.85 lakhs in the preceding year and Rs. 9.77 lakhs in the year 1912-13.

* In Rangoon Rs. 1,000 was fixed.

† In Rangoon Rs. 4,000, in Mandalay Rs. 1,000 and in Yenangyaung Rs. 2,000 was fixed.

‡ In Rangoon Rs. 500 was fixed.

§ In Rangoon Rs. 1,500 was fixed.

DENATURED SPIRIT.

155. Licenses for the vend of denatured spirit rose from 190 in 1926-27 to 214 in 1927-28. There were 89 such licenses in the year 1912-13. During the year under report, 91,000 gallons were imported or denatured in bond after importation. During that year no case in which an attempt might have been made to use methylated spirit for human consumption was brought to notice.

RECTIFIED SPIRIT AND MEDICATED WINES.

156. The number of licenses issued for the vend of rectified spirits and medicated wines was 108 in 1927-28 against 92 in 1926-27. Licenses were issued, in a few cases, to general dealers who were not pharmacists, the previous restrictions confining sale to pharmacists having been removed by Excise Department Notification No. 94, dated the 18th August 1924.

GENERAL.

157. It is provided in the Excise Act that in prosecutions under certain sections it may be presumed, until the contrary is proved, that the accused person has committed an offence under the section under which he is charged in respect of—

- (a) any excisable article or any apparatus for administering any intoxicating drug, or for the manufacture of any excisable article ; or
- (b) any materials which have undergone any process towards the manufacture of an excisable article, or from which an excisable article has been manufactured ;

for the possession of which he is unable to account satisfactorily.

Under section 16 (1) of the Act the Local Government may, by notification, prescribe a limit of quantity for possession of any excisable article. Further, no person shall have in his possession any quantity of any excisable article in excess of the limit prescribed under sub-section (1), except under the authority and in accordance with the terms and conditions of—

- (a) a license for the manufacture, cultivation, collection, sale or supply of such article ; or
- (b) a permit granted by the Collector in that behalf. In exercise of the powers conferred by this section, the Local Government by Notification No. 77, dated the 18th September 1917 (reproduced at page 35 of the Burma Excise Manual) has prescribed the quantity entered in column 2 of the following table against each excisable article entered in column 1 as the limit, in excess of which no person shall possess such excisable article, save as provided by sub-section (2) of section 16:—

(1)	(2)
Country alcoholic liquor other than spirit.	Four reputed quart bottles.
Spirit included within the definition of country alcoholic liquor.	One reputed quart bottle.
Foreign alcoholic liquor	Two imperial gallons or 12 reputed quart bottles.

In Prome and Tharrawaddy districts, the limit of possession for country fermented liquor other than *tari* was one reputed quart bottle, and in Rangoon it was two reputed quarts. But under section 17 of the Act no person could have in his possession any quantity of any excisable article knowing the same to have been unlawfully imported, transported, manufactured, cultivated or collected, or knowing the prescribed duty not to have been paid thereon.

If, therefore, any person had in his possession less than the quantity allowed by the notification referred to, of any excisable article which he knew to have been unlawfully imported, transported, manufactured, cultivated, or collected, or not to have had the prescribed duty paid thereon, he committed or abetted the commission of an offence punishable under either section 30 or section 37 of the Act, and under section 44 the burden of proof was imposed on him of accounting satisfactorily for his possession of any quantity of such excisable article.

158. *Changes introduced or under consideration, and important debates in the Legislative Council on Excise matters.*—(1) The Excise Rules relating to the Local Advisory Committees were revised during the year 1925-26 so as to provide that recommendations of Committees regarding the maximum and minimum number of licenses shall not be overruled without reference to the Local Government.

(2) The rate of excise duty on foreign liquor manufactured in or imported into Burma was reduced to Rs. 17-8-0 per L. P. gallon with effect from 1st May 1926 in order to enable such spirit to compete with cheap foreign liquors, such as Java rum and French brandy.

(3) (a) In February 1927, the following resolution was moved in the Legislative Council:—

“ That this Council recommends to His Excellency the Governor in Council to appoint a Committee, consisting of non-official elected members of the Council and other persons representing the different religious communities and the Temperance Association of this Province, to enquire and report on the drink and drug traffic in Burma in all its aspects, including total prohibition.”

The resolution was put to the House and lost, 27 voting *for* and 30 *against* the resolution.

(b) In July 1927 the following resolution was moved in the Legislative Council:—

That this Council recommends to the Government—

(a) to cancel the proposal to grant to one firm or individual from July 1927, exclusive right of manufacture and wholesale or retail sale of Hlawzaye in the Rangoon town district and in the area supplied by two licensed shops at Kanaungto and Gyaung-waing in the Hanthawaddy district ;

(b) to continue the existing system of issuing licenses by public auction; and

BURMA.

- (c) to limit the quantity of Illawzaye sold during the year at each licensed shop so as to secure minimum consumption at maximum revenue.

The resolution was put to the House and lost, 30 voting for, and 40 against the resolution.

159. *Convictions and offences in connection with alcoholic liquor and important seizures.*—In 1927-28 arrests fell by 240 to 11,142 and the percentage of convictions to arrests rose by 2 per cent. to 83. In 1912-13 the total arrests for all offences (against Excise and Opium laws) and the number of convictions amounted to 10,916 and 8,866, respectively. The percentage of convictions to arrests during 1912-13 was 81. In Rangoon the number of gallons seized rose from 1,007 to 1,828 and the number of persons convicted rose from 318 to 433. Most of the offences were in respect of licitly manufactured *hlawza* illicitly sold or held in excess quantities. Convictions for drunkenness in urban areas rose from 1,513 in 1926-27 to 1,633 in 1927-28. In Rangoon convictions for drunkenness fell from 423 to 292 and in Mandalay convictions rose from 33 to 70.

LOCATION OF SHOPS.

160. The position of each town or village shop was determined by the local officers and was fixed, as far as possible, at the time of the sale of the licenses. In non-municipal areas, a notice inviting objections to a new shop had to be published before the shop was established, and if such were made, they had, if not accepted, to be referred to the Divisional Commissioner. In Burma all Municipal and Town committees were constituted Excise Advisory Committees, and such Committees examined proposals, on which orders were passed by the Excise Commissioner as to the maximum and minimum number of licenses to be issued within the Municipality. If the Excise Commissioner was not prepared to accept the recommendations of the committee the matter had to be referred to the Local Government for orders. These committees also examined the location of existing and proposed shops.

ACHIEVEMENTS OF THE EXCISE ADVISORY COMMITTEES AND THE TEMPERANCE MOVEMENTS.

161. The three years' programmes for the maximum and minimum number of licenses of each kind to be issued within Municipalities and Towns were prepared for the three years beginning with 1928-29. The recommendations of 52 committees were accepted and the recommendations of 16 committees were rejected.

ADMINISTRATIVE AGENCY.

162. The Excise revenue was formerly under the direct control of the Financial Commissioner, but the appointment of a Commissioner of Excise was sanctioned in 1905-06. The Financial Commissioner's connection with Excise administration ceased with effect from 1st May 1927, in consequence of the coming into force of Burma Act I of 1927, and the Excise Commissioner is now directly under the Ministry. The local administration rested with the District Officers under the supervision of Divisional Commissioners, and in most districts there was an officer subordinate to the Deputy Commissioner in special charge of Excise matters, who was designated Superintendent of Excise. In addition to the distillery establishments

there was a large special preventive staff, employed mainly for the purpose of dealing with smuggling and other illicit practices in connection with opium, etc. To supervise this staff there was a central controlling officer, who was designated Chief Superintendent of Excise.

INCIDENCE OF EXCISE REVENUE PER HEAD.

163. Calculated on the census returns of 1921, the average total Excise revenue per head of the population in 1927-28 was Re. 1-1-0, of which nearly two-thirds were derived from liquors. The incidence of total Excise revenue per head of the population during the preceding year amounted to Re. 1-2-5 against Re. 0-13-3 in 1912-13. In 1912-13 the receipts from liquor represented about 50 per cent of the total Excise revenue.

CHAPTER VI.—BIHAR AND ORISSA.

164. *Excise revenue.*—The gross Excise revenue for 1927-28 was Rs. 197.15 lakhs, and was realized under the main heads :—

Heads.	Revenue (in lakhs of rupees).	Percentage of total Excise revenue.
(1) Country spirit	86.63	44.0
(2) Country fermented liquors (<i>tari</i> and <i>pachwai</i>) ..	26.86	13.6
(3) Foreign liquor .. .. .	.85	.4
(4) Opium and its preparations	35.10	17.8
(5) Hemp drugs	46.29	23.5
(6) Miscellaneous	1.42	.7
Total	197.15	100.0

In 1926-27, the gross Excise revenue amounted to Rs. 197.98 lakhs, and the receipts from liquors bore a percentage of 59.27 to it. In 1912-13 the gross Excise revenue was Rs. 104.01 lakhs, and the revenue from liquors represented about 66 per cent. of this revenue.

In 1926-27, the revenue from country spirit and its percentage to the total Excise revenue were Rs. 91.54 lakhs and 46.7, respectively, against Rs. 54.07 lakhs and 52.0 respectively, in 1912-13.

This Memorandum is concerned only with the first three items of the table above.

165. *Law regulating liquor traffic.*—The liquor traffic in Bihar and Orissa was regulated by the Bihar and Orissa Excise Act, II of 1915, and the Bihar and Orissa Excise Amending Act of 1928.

COUNTRY SPIRIT.

166. *Definition of "country-spirit".*—In Bihar and Orissa the expression "country spirit" means plain spirit which has been made in British India from materials locally recognized as bases for country spirit, namely *mahua*, rice, *gur* or molasses, and on which duty has not been imposed at the rate fixed for the importation of spirit into British India.

167. *System under which country spirit revenue was realized.*—The manufacture and sale of country spirit were carried on under two systems, namely, the outstill system and the contract supply system. The revenue

Stannary sub-division of Mayabpuri in the Tirhut division. With increased facilities for communication, a steady programme for the conversion of the greater part of the outstill area in the province into distillery areas has been gradually carried into effect.

The areas remaining under the outstill system in 1927-28 were the whole of the Palaman and the Angul districts, the major portion of the Singhbhum districts and small portions in the districts of Shahabad, Hazaribagh and Ranchi. For the area under the population served by, and the revenue realised from the outstill system during the years 1912-13, 1926-27 and 1927-28, see statements V and VII.

152. *Contract supply system.* In the rest of the province, except the Khondals sub-division of the Angul district and the greater portions of the Kolhan estate in the Singhbhum district, where no country spirit is allowed to be manufactured, the contract supply system was in force. Under this system the monopoly of the supply of country spirit within a specified area or areas is granted under a contract, the contractor supplying the spirit, from specified places at prescribed rates of excise duty and wholesale prices, to licensed retail vendors only. The monopolies of supply are granted and the wholesale prices (usually described as "cost price") are fixed, after examination of tenders invited for the purpose, usually every 3 years.

170. *Manufacture and supply of country spirit under the above system.*—The manufacture of spirit in contract supply areas was carried on in private distilleries, which could be situated either within or outside the province. Every distillery in the province was under the supervision of an Excise officer with a small establishment as guard. With effect from the 1st April 1916, the distillers have been exempted from paying the costs of establishments maintained at the distilleries while, on the other hand, they have to pay rent instead of only charges for repairs for buildings owned by the Government. They are also required to provide residential quarters for the distillery and the warehouse staff.

There were five distilleries at work in 1927-28, all owned and worked by private licensees. In 1912-13, there were 11 distilleries at work, four owned by private persons and seven in Government premises. In 1927-28, spirit manufactured at the five distilleries, was wholly consumed within the province.

Spirit manufactured at the distilleries was conveyed to and stored in warehouses, built either by Government or by the distilling contractors, and situated at suitable places within the supply areas; warehouses were also attached to two distilleries. The spirit was conveyed under bond, and duty was levied on it only when it left the warehouse on the requisition of a retail vendor. Each warehouse was in charge of a Government officer, who supervised all operations in the warehouse.

The number of bonded warehouses in the province in 1927-28 was 91, all of which were fed by the distilleries in Bihar and Orissa mentioned above. These warehouses were covered by 27 wholesale licenses for the sale of country spirit, shown in column 6 of Imperial Table No. III in the Provincial Excise Administration Report for 1927-28. The licenses in question were held by the distillers in all cases. In 1912-13, there

contributed by each system in the years 1912-13, 1926-27 and 1927-28 is shown below :—

(in lakhs of rupees).

	1912-13.	1926-27.	1927-28.
From outstills	16.11	12.91	10.86
Under contract supply system	37.96	78.63	75.77

168. *Description and extent of the outstill system.*—Under the outstill system a single license covers the manufacture (by primitive Indian methods) and sale of country spirit, the produce of a single still, at a fixed place. The localities where such manufacture and sale are to be allowed are determined before-hand. Under section 11 of the Bihar and Orissa Act, II of 1915, the transport of outstill liquor into areas where distillery liquor is sold, has been prohibited and any attempt to bring outstill liquor into these areas is punishable under section 47 of the Act. No outstill is allowed within five miles of a distillery area.

The right of working the still and selling its outturn (the "license") was auctioned in 1927-28 by the revenue officer, subject to a reserved fee calculated on the estimated local demand on, and outturn of the shop and on the license fees of the preceding year. The Collector could, however, in order to prevent monopoly or combination or for other sufficient cause, refuse to accept the highest or any other bid. No attempt is made under the outstill system to supervise the processes of distillation or to control sale prices, or to regulate taxation on liquor according to its strength or the quantity consumed, except in a very indirect manner. The capacity of the still to be worked in any outstill is defined in the license for that outstill, and this serves to fix to some extent, a maximum quantity to be manufactured; an increase in the still capacity can be sanctioned for adequate reasons by the Collector. The license does not confer a monopoly of sale over any definite area; but that result is practically attained by the fact that shops are licensed at suitable distances from one another, the general rule being that no two outstills shall be within five miles of each other.

This system, though open to many obvious objections, has been found necessary in thinly populated, jungle, or comparatively inaccessible tracts, which cannot be supplied properly by distilleries or warehouses under the contract system; and in those parts of the country where special facilities exist for illicit distillation from *mahua* or for smuggling cheap liquor from foreign territory. In 1912-13 the areas under the outstill system were Palamanu and Singhbhum and the major portions of Hazaribagh and Ranchi in the Chota Nagpur division, Angul and part of Sambalpur in the Orissa division, the Rohas plateau (with a small tract adjoining it) in the Shahabad district of the Patna division, and the district of Champaran (except a small area in the Bettiah sub-division) and the

Sitamathi sub-division of Muzaffarpur in the Tirhut division. With increased facilities for communication, a steady programme for the conversion of the greater part of the outstill area in the province into distillery areas has been gradually carried into effect.

The areas remaining under the outstill system in 1927-28 were the whole of the Palamau and the Angul districts, the major portion of the Singhbhum districts and small portions in the districts of Shahabad, Hazaribagh and Ranchi. For the area under, the population served by, and the revenue realized from the outstill system during the years 1912-13, 1926-27 and 1927-28, see statements V and VII.

169. *Contract supply system*.—In the rest of the province, except the Khondmals sub-division of the Angul district and the greater portions of the Kolhan estate in the Singhbhum district, where no country spirit is allowed to be manufactured, the contract supply system was in force. Under this system the monopoly of the supply of country spirit within a specified area or areas is granted under a contract, the contractor supplying the spirit, from specified places at prescribed rates of excise duty and wholesale prices, to licensed retail vendors only. The monopolies of supply are granted and the wholesale prices (usually described as 'cost price') are fixed, after examination of tenders invited for the purpose, usually every 3 years.

170. *Manufacture and supply of country spirit under the above system*.—The manufacture of spirit in contract supply areas was carried on in private distilleries, which could be situated either within or outside the province. Every distillery in the province was under the supervision of an Excise officer with a small establishment as guard. With effect from the 1st April 1916, the distillers have been exempted from paying the costs of establishments maintained at the distilleries while, on the other hand, they have to pay rent instead of only charges for repairs for buildings owned by the Government. They are also required to provide residential quarters for the distillery and the warehouse staff.

There were five distilleries at work in 1927-28, all owned and worked by private licensees. In 1912-13, there were 11 distilleries at work, four owned by private persons and seven in Government premises. In 1927-28, spirit manufactured at the five distilleries, was wholly consumed within the province.

Spirit manufactured at the distilleries was conveyed to and stored in warehouses, built either by Government or by the distilling contractors, and situated at suitable places within the supply areas; warehouses were also attached to two distilleries. The spirit was conveyed under bond, and duty was levied on it only when it left the warehouse on the requisition of a retail vendor. Each warehouse was in charge of a Government officer, who supervised all operations in the warehouse.

The number of bonded warehouses in the province in 1927-28 was 91, all of which were fed by the distilleries in Bihar and Orissa mentioned above. These warehouses were covered by 27 wholesale licenses for the sale of country spirit, shown in column 6 of Imperial Table No. III in the Provincial Excise Administration Report for 1927-28. The licenses in question were held by the distillers in all cases. In 1912-13, there

were 85 bonded warehouses in the province, out of which 26 were fed by a distillery situated outside the province. These 85 warehouses were covered by 26 wholesale licenses for the sale of country spirit to retail vendors.

Within the contract areas the strengths at which country spirit could be sold retail were fixed ; maximum prices above which spirit could not be sold were also prescribed, except for the areas where the retail prices were fixed under the sliding scale system. Dilution in shops was prohibited, except when specially permitted by the Commissioner of Excise ; such permission was granted only for the reduction of particular strengths to specified weaker strengths. Contractors for wholesale supply were not allowed to hold any retail country spirit shops within the areas of their contracts or within seven miles thereof.

171. *Strengths of issue and rates of duty in force.*—The standard strengths at which spirit was issued from distilleries and warehouses, and at which it could be sold by retail vendors to the public, ranged in 1927-28 from 25° to 86.3° under proof. In 1912-13, the standard strengths at which spirit could be retailed ranged from 25° to 85° U. P. Calculated in terms of proof, the duty varied from annas 10 to Rs. 10 per gallon in 1927-28, the same as in the preceding year, and Re. 1-9-0 to Rs. 3-2-0 per gallon (except in a small area where it was Rs. 3-12-0 per L. P. gallon) in the year 1912-13.

172. *Retail vend arrangements.*—In certain distillery areas the right of retail vend was disposed of by separate shops, each of which was put up to auction, subject to reserved fees calculated on the basis of the average monthly sale and the margin for gross profit, left after meeting from the maximum retail price prescribed, the aggregate of duty, cost price and reasonable shop expenses. The Collector tried to settle the shops at fees at which it was possible to work them without loss. In the major portion of the distillery areas, licenses were settled without auction at fees fixed automatically in accordance with a sliding scale sanctioned by the Commissioner of Excise. Under this system license fees are fixed on the basis of consumption, after deducting the amount of duty, cost price and shop expenses, as well as a fair margin of profit to the vendors. The retail vendors were bound to procure their spirit from a warehouse maintained by the wholesale contractor for the area. Issues to retail vendors in quantities of less than a gallon at a time were not permitted. The number of shops licensed to sell by retail country spirit in distillery areas was 1,406 in 1927-28, against 1,427 in 1926-27 and 1,512 in 1912-13. For the number of licenses for retail sale of country spirit in contract and outstill areas, see Statement III.

173. *Consumption and average taxation.*—The country spirit revenue in 1927-28 in distillery areas was Rs. 75.77 lakhs, of which Rs. 49.45 lakhs were contributed by duty, and Rs. 26.32 lakhs by vend fees. In 1926-27, the total revenue from country spirit in distillery areas amounted to Rs. 78.63 lakhs, against Rs. 37.96 lakhs in 1912-13. The consumption of distillery liquor during the year under review amounted to 1,006,704 proof gallons, against 1,064,352 proof gallons in the preceding year and 1,157,636 proof gallons in 1912-13. The average consumption of country spirit per 100 of the population in 1927-28 in the province as a whole was

2.96 proof gallons, against 3.10 proof gallons in 1926-27 and 3.36 proof gallons in 1912-13. The average taxation per proof gallon in 1927-28 was Rs. 7-8-3 (of which Rs. 4-1-6 were derived from duty and Rs. 2-9-9 from vend fees), compared with Rs. 7-6-2 (Rs. 4-1-6 from duty and Rs. 2-7-8 from vend fees) in 1926-27 and Rs. 3-4-6 (Rs. 1-15-8 from duty and Re. 1-4-10 from vend fees) in 1912-13.

(COUNTRY FERMENTED LIQUORS.

174. *Tari*.—*Tari* is the sap of the palm tree, and is used either freshly drawn from the tree or after fermentation. Palmyra and date are the principal varieties of the palm from which *tari* is drawn. Licenses to sell fresh *tari* were issued in 1927-28 on payment of a fixed fee not exceeding Rs. 5 per license, for the season. The revenue from fermented *tari* was derived from shop licenses, and from tree-tax in a small area. In 1927-28 the tree-tax system was for the first time introduced as an experimental measure in a small area comprising the whole of the Dinapur sub-division and a few villages in the adjoining thana of Philwari in the Sadar sub-division in the district of Patna. This system consists of a levy of a tax on each tree tapped in addition to vend license fees for each shop which is settled by auction. The rate of tax per tree both palmyra and date in 1927-28, a sum of Rs. 35 only was derived from fresh *tari*, Rs. 24,191 from tree-tax and Rs. 4,594 from rent of *tari* trees, either owned by the Government or over which the Government had the right of taxation; the balance was realized from licenses for the sale of fermented *tari*. In 1926-27, the total revenue derived from *tari* amounted to Rs. 21.34 lakhs, against Rs. 12.66 lakhs in the year 1912-13.

175. *Pachwai*.—*Pachwai*, otherwise called "handia" is a fermented liquor brewed generally from rice, *muthu* or other grain. It is drunk chiefly by aboriginal tribes, and is valued both as a stimulant and the food. It is a favourite drink in the Chota Nagpur division and the Santal Parganas and with aboriginal tribes in parts of Champaran, Bhagalpur, Furnea and Sambalpur.

The bulk* of the revenue under this head was derived from licenses for manufacture and retail sale, which were disposed of by auction, the number and sites of the shops being previously fixed. In 1927-28 retail shops were confined to the districts of Darbhanga, the Santal Parganas, and Balasore, Sambalpur, Ranchi, Hazaribagh, Alambhum and 35 in 1912-13. These licenses do not include a number of home-brewing of their number was 336, against 348 in the preceding year and 35 in 1912-13.

176. *Special concessions in backward areas*.—Free home-brewing of *pachwai* for home consumption was permitted at all seasons and to aboriginal tribes only in the districts of Ilazaribagh, Ranchi, Singhbhum (except the Jamshepur area) and also in the Banka sub-division) and of the Bhagalpur district. Home-brewing for domestic consumption under the home-

In the districts of Bhagalpur, prohibited in the remaining districts of the Province.

* The bulk of the revenue under this head was derived from licenses for manufacture and retail sale, which were disposed of by auction, the number and sites of the shops being previously fixed. In 1927-28 retail shops were confined to the districts of Darbhanga, the Santal Parganas, and Balasore, Sambalpur, Ranchi, Hazaribagh, Alambhum and 35 in 1912-13. These licenses do not include a number of home-brewing of their number was 336, against 348 in the preceding year and 35 in 1912-13.

of annual licenses granted to house-holders and subject to maximum limits of possession; the limits were, in Bhagalpur and Purnea 4 seers undiluted or 12 seers diluted, and in Sambalpur 8 seers undiluted or 20 seers diluted. In Champaran home-brewing without limit for domestic consumption only was allowed under license granted to a village. The Collectors of Bhagalpur and Purnea were authorized to allow license holders to brew without limit during certain days to be prescribed by the Collectors in areas in which they were convinced that it was required on account of the Bandhana festival.

177. *Special occasions Licenses*.—Special licenses could also be issued to any person on payment of a fee of annas 8 on occasions such as marriages, festivals, etc., for the manufacture of *pachwai* for domestic consumption up to such limit as the officers granting the license considered reasonable. No limit was fixed in the district of Champaran. The officers empowered to grant such licenses were the Collector, Excise Superintendent, Sub-divisional Officer or other officer empowered by the Collector. The license conferred no right to sell or barter any portion of the liquor covered by it.

The officers mentioned above could also, on special occasions, grant temporary permits for the possession of more than 4 seers of diluted *pachwai* (more than 8 seers of undiluted or half a maund of diluted *pachwai* in the district of Sambalpur) up to such limit as they considered reasonable, to be purchased from a licensed vendor. These permits also conferred no right to sell or barter any portion of the liquor covered by them.

FOREIGN LIQUORS.

178. *Definition of "foreign liquor"*.—"The expression "foreign liquor" has been defined to include imported liquors of all sorts, beer and other liquors manufactured in India which are sophisticated or compounded so as to resemble in colour or flavour whisky, brandy, gin or rum, or are made from special bases (such as malt or today) which are not recognised as bases for the manufacture of country spirit (*vide* paragraph 166 above) or are taxed at the tariff rate; also denatured and perfumed spirits and spirits used in drugs, medicines or chemicals.

179. *Classification of revenue*.—"The revenue from imported liquors consisted of the duty levied under the Indian Tariff Act, 1894, as subsequently amended, and fees paid for the right of vend. The former was credited to Customs revenue, and the latter to Excise. The duty on locally-manufactured "foreign liquors" was also credited to Excise; but no such liquor was manufactured in the province during 1927-28. The total amount of fees realized in 1927-28 from foreign liquor licenses of all sorts was Rs. 0.85 lakh compared with Rs. 0.71 lakh in the preceding year and Rs. 0.33 lakh in the year 1912-13.

180. *Vend arrangements*.—License for the sale of foreign liquors were chiefly of three kinds, viz., (1) wholesale, (2) retail "off" (i.e., permitting sale for consumption off the premises only and in quantities of not less than one pint bottle) and (3) retail "on and off". Apart from these there were also various special licenses for the sale of such liquors, e.g., "steamer", "dining car", "railway refreshment room", "club

"denatured and rectified spirits" and "medicated wines" licenses. "The total number of licenses for retail sale of potable foreign liquors (imported) during the year under review was 146, against 144 in the preceding year and 125 in the year 1912-13. For the quantities of liquor sold under these licenses, see Statement II.

The fee for a wholesale license was fixed by the Excise Commissioner, subject to a minimum of Rs. 100 per annum. Retail "off" licenses were granted on payment of fees fixed with reference to past transactions. The number of retail "on and off" licenses, which were ordinarily settled by auction, was kept within the narrowest possible limits and the licenses were granted only in localities where there was a considerable population accustomed to foreign liquor. The special licenses referred to above were granted on payment of fixed fees determined by the Board of Revenue or the Excise Commissioner. In the case of hotel and restaurant licenses a minimum fee of Rs. 100 per annum was prescribed.

The sale of whisky, brandy and rum by foreign liquor licensees at a strength lower than 25° under proof, and of gin at a strength lower than 35° under proof was prohibited.

No compounding or blending of foreign liquors was permitted, except on premises duly licensed by the Collector in that behalf. Such licenses were granted only to licensed wholesale vendors of foreign liquors on payment of a fee of Rs. 300 per annum. The bottling of liquors was also permitted by wholesale licensees under cover of a special license, for which a separate fee of Rs. 50 per annum was charged. No compounding, blending or bottling licenses were, however, issued during the year, or in the preceding year.

Permisses for the sale of "foreign liquor" were required to be kept entirely separate from shops for the sale of country liquor, and the grant of foreign liquor licenses to country spirit vendors was, as far as possible, avoided.

181. *Country rum and beer, and other potable foreign liquors made in India.*—There were no breweries in the province, nor were foreign liquors manufactured in any of its distilleries. No special licenses were issued for the retail sale of country rum, country beer or other potable foreign liquors manufactured in India, which are sold along with other imported liquors.

182. *Denatured spirit.*—The limit of retail sale of denatured spirit and its ordinary possession by private individuals was fixed at one imperial gallon, and passes were required for its import, export and transport in excess of that quantity. Possession in excess of the same quantity was allowed only to persons specially licensed to sell such spirit or to use it for business purposes. A retail license was not allowed to possess such spirit in quantities exceeding 60 gallons at a time, while persons using it for industrial purposes were allowed to possess it only up to such quantities as were specified by the Collector in each case. The fees payable for wholesale and retail vend licenses and for the possession of denatured spirit in excess of the limit of retail sale were Rs. 50, Rs. 5 and Rs. 2 per annum, respectively.

Spirit manufactured in any distillery in the province or imported under bond from other provinces was, under the rules, required to be denatured in a warehouse specially licensed for the purpose. Two licenses for the manufacture of denatured spirit were granted to proprietors of two private distilleries at Blankatha and Ranchi during the year. There was a stock of 1,063 bulk gallons of denatured spirit out of the quantity manufactured in the preceding year in the beginning of the year under report. 4,173 gallons were manufactured, and 4,418 gallons were issued during the year. This quantity of denatured spirit issued represents but a small proportion of the total quantity used in the province; many of the licensees obtained their supplies from Calcutta and Assam. The total quantity of denatured spirit sold was 14,329 gallons, against 10,784 gallons in 1926-27 and 968 gallons in 1912-13. The use of denatured spirit is steadily increasing. Its use as an intoxicant was not suspected in any district. 219 licenses for retail sale of denatured spirit and 46 for its possession in excess of the ordinary limit were issued in 1927-28, against 187 and 48, respectively, in 1926-27, and 59 and 7, respectively, in 1912-13. The revenue from license fees amounted to Rs. 1,473 against Rs. 1,128 in the preceding year and Rs. 399 in the year 1912-13. The ordinary denaturants prescribed by the rules were a mixture of light kerosene and pyridine (manufactured from mineral sources) in the proportion of $\frac{1}{2}$ per cent. of each; but in the case of denatured spirit required for use in industries for which the above denaturants were not suitable, other special ingredients could be used with the sanction of the Board of Revenue in each case and subject to suitable excise restrictions.

188. *Perfumed spirit*.—Perfumed spirit, when manufactured from duty-paid foreign liquor that had not been denatured, was not subject to any restrictions relating to possession and sale. But the manufacture of such spirit required a license, which was granted free of charge. No such license was issued during 1927-28.

184. *Rectified spirit*.—Rectified spirit could be sold wholesale by holders of wholesale foreign liquor licenses without any separate license. Selling such spirit under these licenses, however, prohibited from chemists or druggists could sell rectified spirit in the province during the year. Licensed medicinal, industrial and scientific purposes only. The fee for such a license was Rs. 50 per annum.

185. *Medicated wines*.—Medicated wines and similar preparations containing alcohol equivalent to 20 per cent. but not more than 42 per cent. of proof spirit were sold either by (a) holders of licenses for the sale of foreign liquor or (b) persons carrying on business as chemists, druggists, apothecaries or keepers of dispensaries and medical practitioners and other persons who had been specially approved by the Collector and held a special license in that behalf. The fee for such a special license was Rs. 50 per annum. Medicinal preparations containing alcohol equivalent to more than 42 per cent. of proof spirit could be sold only by foreign liquor licensees. Preparations containing alcohol equivalent to less than 20 per cent. of proof spirit were exempt from excise restrictions.

186. *Important changes (relating to liquors) introduced during the year were the following:—*

(1) Extension of the system of settlement under the sliding scale to the country spirit shop at Bargarah in the district of Sambalpur and to 4 country spirit shops adjoining Jamshehpur in the district of Singhbhum.

(2) Enhancement of the rates of duty on country spirit in a small area in the district of Sambalpur.

(3) Enhancement of the retail prices of country spirit in the districts of Monghyr, Champaran, Muzaffarpur, Cuttack, Balasore, Puri, Sambalpur, Hazaribagh and Ranchi.

(4) Curtailment in the hours of sale of country spirit in the coal field area in the Bhanbad sub-division of Manbhum on Sundays only.

(5) Substitution of 80 L. P. for 85 L. P. as a prescribed strength for the sale of country spirit in the old distillery area of the district of Ranchi.

(6) Discontinuance of the experiment of "off" sales of country spirit (prohibition of drinking on the premises) in the towns of Patna, Gaya and Arrah (Shahabad).

(7) Conversion of two distillery liquor shops in Ranchi into out-stills.

(8) Withdrawal of the privilege of home-brewing of *pachwai* in the colliery area in the Bhanbad sub-division of Manbhum.

(9) Introduction of the tree-tax system as an experimental measure in the Dinapore sub-division and a small portion in the Sadar sub-division of Patna.

187. *Temperance movements.*—The movement for social uplift, attended by the eschewing of alcoholic drinks, among the low castes referred to in the previous year's Memorandum continued in Patna, Gaya, Muzaffarpur and Ranchi and affected consumption of country spirit as well as of *tari* to some extent. The movement spread in Ranchi to the Lohardaga area as a result of temperance preaching by some Arya Samajists. In Champaran the Dhangars did not stick to their resolution of 1926 about the giving up of spirit; and a movement during the year among the Jogs and Nats in villages of Bhagalpur bordering on Nepal to enforce prohibition through their Panchayat system died out after a few months.

188. *Important debate, bill or resolution in the Legislative Council.*—In March 1928 a motion demanding the reduction of the grant under the head 'Excise' by Rs. 1,100 was moved by Mr. Baldeva Sahai in the Legislative Council; and in that connection the general Excise policy of the Government was severely criticised by the non-official members. The motion was, however, withdrawn on the assurance given by the Hon'ble Minister that the experiment of prohibition, so far as the consumption of country spirit was concerned, would be tried in one thana.

The Excise Amendment Bill, 1927 and the Opium Smoking Bill, 1928 were passed during the year.

189. *Convictions.*—3,410 persons were prosecuted for offences against the Excise and Opium Acts, against 3,909 in the year 1926-27. The total

number of persons arrested in 1912-13 was 1,516 and out of these 1,580 persons were convicted. 1,173 cases of illicit distillation were detected during the year under review, against 1,200 in the year 1926-27. Prohibited cases increased from 856 in 1926-27 to 966, of which 645 cases occurred in Ranchi, and 174 in Singhbhum. The recent detections show the existence of a substantial demand for this beverage among non-aborigines in the Simdega sub-division. The total number of persons convicted for offences under the Excise and Opium Acts during the year was 2,922 against 3,231 in 1926-27. The percentage of convictions to arrests was 86.0 against 82.7 in the preceding year and 87 in the year 1912-13. The number of persons convicted for offences relating to country spirit was 1,398, against 1,510 in the year 1926-27 and 798 in the year 1912-13.

190. Location of shops.—The sites of liquor shops were carefully selected in accordance with the procedure laid down in sections 20 to 27 of the Excise Act, 1915, and rules made thereunder in consultation (a) with the magisterial and other local authorities, (b) with large employers of labour, and (c) in municipal towns, with local Advisory Committees. These committees were constituted with the Collector of the district (or in less important towns, with the sub-divisional or other officer not below the rank of a Deputy (Collector) as chairman, and the Superintendent of Police (or, in less important towns, some other police officer not below the rank of an Inspector, specially deputed by the Superintendent) as member. The non-official element consisted of (1) the chairman of the municipality (or, in towns where the Collector or Sub-Divisional Officer was the chairman of the municipality—the vice-chairman of the municipality), and (2) one municipal commissioner for each ward in which it was proposed to license premises for a liquor shop, such municipal commissioner being nominated by the body of municipal commissioners; in municipalities not divided into wards, one municipal commissioner was nominated by the body of municipal commissioners). Since 1914-15, Advisory Committees are also being formed for the rural areas of the districts of the Chota Nagpur division. The functions of these committees are purely advisory, and the final decision as to the number and location of shops rests in every case with the Excise (Commissioner and the Board of Revenue. Changes are made by these authorities in deference to the views of the bodies mentioned above and to the opinion of the local residents. No liquor shop can be opened in or at the entrance of a bazar, or close to places of public resort, such as schools, hospitals, places of worship, etc., or in congested portions of a village.

191. Licensing Boards.—Licensing Boards constituted for the first time in 1924-25, as an experimental measure, for the municipalities of Patna, Gaya, Chapra, Muzaffarpur, Barh, Bhagalpur, Monghyr, Bhagalpur and Cuttack, to exercise, subject to the control of the Local Government, all the powers and perform all the duties which are conferred and imposed upon the Collectors by sections 20 and 21 of the Bihar and Orissa Excise Act, 1915, in respect of the shops for the retail sale of country spirit and hemp drugs continued during the year. They were vested with similar powers in respect of opium shops in the areas mentioned above. The Boards were constituted as follows:—

(1) President—Chairman of the municipality.

- (2) One member elected by the municipal commissioners from among their own number or from outside.
- (3) One member nominated by duly registered temperance societies if any in the city.
- (4) One non-official member of the Legislative Council, resident in the municipality.
- (5) One member elected by the Principals and Headmasters of Local Colleges and High Schools recognised by the Patna University or by the Education Department of the Government.
- (6) One member elected by the licensees of the town.
- (7) One member appointed by the Collector to represent the labouring and consuming classes.
- (8) Ex-officio Secretary. The Superintendent of Excise and Salt.

192. *Administrative Agency*.—After the appointment of a Commissioner of Excise in 1889, the Divisional Commissioners, under section 33 of the Bengal Excise Act, VII of 1878, ceased to exercise control over the administration of Excise in their respective divisions. From the 1st April 1893, Commissioners of divisions were again brought into touch with Excise, and annual and other reports, and proposals involving any change in principle or policy were required to pass through them. During the year under review the Excise Commissioner worked under the general supervision of the Board of Revenue and was aided in district inspections by a Deputy Commissioner of Excise. The Collector was assisted in his work by a Superintendent of Excise working immediately under his supervision; one of the Superintendents was also employed in the Excise Commission's office as his Personal Assistant. The subordinate district agency consisted of inspectors, sub-inspectors, clerks, petty officers and peons, who were variously employed in the management of distilleries and warehouses, in the inspection of shops, in the collection of revenue and compilation of statistics, and in the detection and prevention of Excise offences, and who were controlled by the Superintendent of Excise acting under the orders of the Collector. Two of the Inspectors were employed as Inspectors of distilleries and warehouses throughout the province. The Inspector who was attached to the Police Training College, Hazaribagh, as Instructor to the Excise cadets deputed for training there, was subsequently appointed as second Inspector of distilleries owing to the suspension of training of Excise cadets from June 1926. With a view to exercising better control and supervision over Excise shops settled under the sliding scale system and improving the general administration of the department, 36 circle Sub-Inspectors of Excise and Salt of the districts of Patna, Shahabad, Saran and Bhagalpur were replaced, as an experimental measure, by 15 Inspectors of Excise and Salt who were temporarily appointed against 38 vacancies in the cadre of Sub-Inspectors of Excise and Salt and 15 vacancies in the rank of Excise peons. The experiment was started in Patna from the 1st August 1926, in Saran from the 1st October 1926 and was extended to Shahabad and Bhagalpur from the 15th November 1927.

193. Prior to 1st October 1916, the work done in 1927-28 by Superintendents of Excise, was being performed by Deputy Collectors but from that date the provincial Excise staff and the Salt staff in the Orissa districts were formed into one body, and a close service with a cadre of 23 Superintendents of Excise and Salt was formed, whose pay on continuation was fixed on a time-scale of Rs. 300 to Rs. 850 by biennial increment of Rs. 50 with efficiency bars at Rs. 500 and Rs. 700. Above the time-scale was a selection grade of one post on Rs. 1,000. The post of Deputy Commissioner of Excise and Salt (present pay Rs. 1,000—10—1,200 per mensem) was also created to give the Commissioner assistance in inspection, in supervision of the preventive staff and in the co-ordination of preventive operations in different districts. These changes were effected as part of the reorganization scheme sanctioned by the Secretary of State in August 1924.

194. *Incidence of Excise revenue per head.*—Calculated on the population according to the census figures of 1921, the incidence of Excise revenue in Bihar and Orissa including duty receipts on drugs exported beyond the Province was 9 annas and 3 pies per head in 1927-28, of which nearly three-fifths was derived from liquors. Excluding receipts from exports, the incidence of revenue per head of the population was 8 annas and 9 pies. In 1926-27, the average total Excise revenue (excluding receipts from exports) per head amounted to 8 annas and 9 pies, compared with 4 annas and 10 pies in 1912-13.

CHAPTER VII.—DISTRICT PROVINCES OF AGRA AND OUDH.

197. After deducting duty realised on exports of foreign and plain spirits and beer locally manufactured after European methods to other provinces, the total Excise revenue of the United Provinces, for the year ending 31st March 1928 was Rs. 140.72 lakhs, as shown below :—

Receipts in lakhs of rupees.	Percentage of total Excise receipts.
Rs.	Rs.
41.1	29.2
57.85	41.2
7.35	5.2
4.22	3.0
2.07	1.5
2.09	1.5
23.93	17.0
42.14	29.9
1.07	0.8
140.72	100.0

The total Excise revenue and the revenue from country spirit of the United Provinces during the year 1926-27 amounted to Rs. 127.70 lakhs and Rs. 53.08 lakhs respectively, against Rs. 126.17 lakhs and Rs. 84.06 lakhs in 1912-13.

In 1926-27, the revenue from country spirit bore a percentage of 41.6 to the total Excise revenue during that year, whereas in 1912-13 it represented 66.6 per cent. of the total Excise receipts.

This Memorandum is concerned only with the first five items above.

196. *Law regulating liquor traffic*.—The liquor traffic was regulated by the United Provinces Excise Act, IV of 1910, subsequently amended by United Provinces Act, III of 1914, Act I of 1915, Act III of 1918, Act IV of 1919, Act II of 1923, and the Imperial Act No. XXXVIII of 1920 (the Revolution Act).

COUNTRY SPIRIT.

197. Country spirit was produced from *Mahua* flower (*Bassia latifolia*) from crude sugar (*gur*) or molasses (*Shwa*) or from an admixture of these substances in varying proportions. *Gur* was little used on account of its cost. The eastern districts preferred spirit manufactured from *Mahua* or a mixture of *Mahua* and molasses but the western districts generally preferred spirit distilled from pure molasses. Only the Tharus of Gonda and

Bahrach districts and the Bharias of Kumaon used grain for the production of spirit. The former prepared spirit from rice for their own consumption. Inhabitants of certain tahsils in Naini Tal district manufactured *punch* or rice beer.

198. Country spirit was dealt with under two different Excise systems : The contract supply system, and the out-still system.

199. *The Contract Supply system* :—The old central distilleries disappeared from the Excise system, at the beginning of the year 1921-22. Two of these distilleries remodelled (so far as possible) to meet the requirements of the contract supply system have been retained, and are situated at Allahabad and Fyzabad. The buildings have been leased to small joint-stock companies, whose members are, for the most part, local distillers ; and to each company a small area for the supply of spirit has been allotted. The actual distilling and other plant is the property of the companies. The Government also own a small distillery at Saharanpur similarly leased to a small joint-stock company with a small contract area of supply. Since the close of the year the plant has been sold by Government to the company. The requirements of the remaining contract areas are met by spirit supplied from five privately owned distilleries situated within the province and from one privately owned distillery situated at Nowgong, Central India. The contract supply system applies to 85 per cent. of the provincial area, and is in force throughout the province, save for certain inaccessible tracts. Under this system, the privilege of supplying country spirit of a prescribed quality, base and strength, at an agreed price to a pre-determined tract for a fixed period, is granted to one firm of distillers exclusively. The method of selection is that Government call for tenders, in which the rates for supply of spirit at all the stated bonded warehouses in the area must be specified. Government, as a rule, award the contract to the firm tendering at the lowest rates, but reserve power to accept or reject any tender without assigning reasons for doing so. No payment is required from the distillers for the exclusive right of supply, as the object is to secure to the retail vendor a supply of good spirit at a cheap and uniform rate.

The selected firm is bound to sell spirit to licensed vendors at all the bonded warehouses in its contract area at the prescribed strengths, and at the price per bulk gallon of issue strengths accepted by Government. This contract price does not include Excise duty, which Government may vary at any time during the contract. Spirit of the description contracted for must be supplied regularly ; delay or failure renders the supplier liable to penalties, and all loss to Government may be made good at the contractor's expense. The spirit supplied is periodically examined, and the supplier is bound to remedy any defects which may be discovered. Spirit below the standard quality may be rejected and destroyed. Contract rates varied from Re. 1-7-0 to Rs. 2-3-0 per L. P. gallon.

200. *Bonded Warehouses*.—Bonded Warehouses were established at convenient centres within the contract area, and liquor was issued at these warehouses to licensed vendors at a price, which was uniform throughout the area. The number of warehouses on 1st April 1927 was 75—the same as in the previous year, compared with 55 on 1st April 1912.

201. In addition to bonded warehouses, wholesale depots were also established in certain areas for the sale of spirit to retail vendors. These

depots were controlled by the supply contractors and duty paid spirit obtained from the nearest bonded warehouses in the district was stored in them. Vendors of areas where a higher rate of Excise duty prevailed, were not allowed to purchase spirit from a depot situated in a low duty area. The price which was charged at wholesale depots, was not to exceed the total of the following items :—

(a) Still-head duty ;

(b) Contract price ;

(c) Depot rate as fixed by the Excise Commissioner which was about three annas per L. P. gallon.

In the year 1927-28, 21 wholesale depots were in existence compared with 22 in the preceding year and 5 in 1912-13.

LICENSING SYSTEM.

202. (a) *Licenses for retail sale*.—There were two systems of granting licenses. In rural areas and in smaller municipalities, the Collector made proposals regarding the number and location of shops. These proposals were examined by District and Municipal Advisory Committees. In the event of disagreement the department had to report every such case to Government for orders. In Cantonment areas the Collector had full power to determine the number and location of shops in consultation with the Military authorities. When the number and location of shops were finally determined the Collector selected licensees in accordance with the rules and principles described hereafter. The Advisory Committees were non-official bodies appointed triennially. Members of the Legislative Council representing constituencies comprised in the area were *ex-officio* members of the Committee.

Licensing Boards existed in 23 larger municipalities. Each of these Boards consisted of ten members, mostly non-official and elected. Half the members were elected by the local Municipality. Each Board decided, within certain limits and subject to the control of Government the number and location of shops to be opened in the municipality, during the ensuing year, and then selected licensees, in accordance with the rules and principles given below.

The life of a Board is three years.

In selecting licensees honesty and ability to supervise the shop personally were considered the chief qualifications, and preference was usually given to a local resident. Continuity of tenure was assured so long as the licensee carried out the conditions of his license. The selection of a licensee for a vacant shop was made by drawing lots from among suitable applicants. As far as possible, no licensee was given more than one shop. No compensation was given in cases of closure of a shop, non-renewal of a license to the existing licensee, or cancellation of license for misconduct. Appeals against the orders of cancellation of license or against selection of a licensee could be preferred to the Excise Commissioner and thereafter to Government. License fees were recovered monthly in arrear in accordance with a prescribed scale based on the actual sale of the preceding month. The sale strength prescribed was 35° U. P., except in certain areas where sale at 25° or 50° U. P. was specially permitted. Reduction of spirit was prohibited. Spirit was obtained from a bonded warehouse

or from a wholesale depot or from a wholesale shop situated in the same district, and in an area where the rate of duty was not less than that applying to the place in which the retail shop was situated. Except areas where the system of vend of liquor in sealed and capped bottles was enforced, spirit in bulk could be sold, but only by measures of a prescribed pattern and capacity.

The sealed bottle system of vend was in force during the year in the towns of Benares, Agra, Cawnpore, Lucknow, Shahjahanpur, Moradabad, Meerut, Bareilly, Saharanpur, Allahabad, Ryzabad, Gorakhpur, Jhansi, Ghazipur, Dehra Dun, Almtara, Jalaabad, Pawayan, Wihnar, Rajpur, Roorkhee, Deoband, Muzaffarnagar, Brindaban and Fatehpur and in the district of Bulandshahar. Consumption on the premises was not allowed at sealed bottle shops and also at all shops in the town of Etawah.

(b) *Wholesale Licenses*:—These could be granted only with the previous sanction of the Excise Commissioner. A wholesale vendor could purchase spirit only at the bonded warehouse specified in his license; he could sell to none but retail vendors in the district in which he held a license, and within an area where the rate of duty was not higher than that applying to the place where the wholesale shop was situated. The license was granted free of charge and the vendor was at liberty to charge any price for spirit supplied by him to the retail vendors. There were 11 wholesale licenses during the year under report.

203. *Still-head duty in distillery area*.—In 1927-28, still-head duty on country spirit issued in areas under the contract supply system was levied at the following rates:—

Per L. P. gallon.
Rs. as. p.

For consumption in the towns of Dehra Dun, Rajpur, Mussorie, Meerut, Agra, Bareilly, Cawnpore, Benares and Lucknow .. 12 2 0

For consumption in the town of Jhansi, and in the Naini Tal district (except Naini Tal town and the Tarai tahsil) .. 6 15 0

For consumption in Darbhail town in the Moradabad district, in the low duty area of the Gorakhpur district, in the trans-Rapti tract of the Basti district, in the trans-Chambal tract of the Etawah district and in the Almor district .. 5 3 0

For consumption in the Jalaun Hamirpur, Banda, Jhansi districts, except Jhansi town and the Tarai tahsil of Naini Tal district .. 4 8 0

For consumption in Hallia circle and a portion of the Robertsganj tahsil in the Mirzapur district, in Bara tahsil and portion of the Meja tahsil in the Allahabad district .. 1 12 0

Per L. P. gallon.
Rs. as. p.

For consumption in the remainder of the United Provinces, except in those parts of the Pilibhit, Mirzapur, Gorakhpur, Almorah, Garhwal, Kheri, Bahraich and Gonda districts which are under the Outstill system 10 6 0

NOTE.—The expression "town" employed above, includes the area within the municipal or town boundaries, the area within the Cantonment boundaries (where there is a Cantonment) and all places lying within a radius of two miles from any point on either of the aforesaid boundaries.

An export duty of 2 annas per L. P. gallon was levied on all exports of country spirit.

In 1912-13, the rates of still-head duty on country spirit, issued from distilleries and bonded warehouses in areas under the Ordinary and Contract Distillery systems varied from Re. 0-8-0 per L. P. gallon for consumption in the Jhansi, Hamirpur and Banda districts to Rs. 4-0-0 per L. P. gallon for consumption in the towns of Dehra Dun; Mussorie and the Act XX town of Rajpur in the Dehra Dun district, and in the towns of Saharanpur, Meerut, Agra, Bareilly, Moradabad, Cawnpore, Allahabad, Benares, Mirzapur, Gorakhpur, Lucknow and Fyzabad.

204. *Revenue, consumption and average taxation*.—The total issues to contract areas in 1927-28 amounted to 387,303 proof gallons. The revenue realised therefrom was made up of Rs. 39.04 lakhs from duty and Rs. 16.43 lakhs from vend fees. The average incidence of taxation amounted to Rs. 14-5-2 per proof gallon, of which Rs. 10-1-4 were derived from duty and Rs. 4-3-10 from vend fees, etc. In addition to this, 127,907 L. P. gallons of country spirit were exported to other provinces and Indian States. In 1926-27, the total quantity of country spirit issued in contract areas amounted to 360,804 proof gallons. The total revenue realised therefrom was Rs. 50.84 lakhs and the incidence of taxation amounted to Rs. 14-1-5 per proof gallon, of which Rs. 9-15-4 were derived from duty and Rs. 4-2-1 from vend fees, etc.

The total issues in the Ordinary and Contract Distillery areas taken together in 1912-13 amounted to 1,689,932 proof gallons. The total revenue realised therefrom was Rs. 82.60 lakhs, and the average total taxation per proof gallon amounted to Rs. 4-14-2 of which Rs. 3-3-4 were derived from duty and the balance from vend fees, etc.

The average consumption of country spirit per 100 of the population in the years 1912-13, 1926-27 and 1927-28, was 3.61, 0.79, and 0.85 L. P. gallons, respectively.

OUTSTILL SYSTEM.

205. *Description, extent and revenue*.—Under this system a license to manufacture and sell spirit at a specified shop is granted on payment of a license fee which is fixed by auction. No monopoly of manufacture or vend over a specified area is granted and no still-head duty is payable in addition to the license fee.

Out-stills are usually established in tracts bordering on Indian States, or in localities, where owing to sparseness of population or difficulties of communication, etc., no system of contract supply and still-head duty can be worked. In both the years 1926-27 and 1927-28 the (out-still system prevailed in parts of the districts of Pilibhit, Aligarh, Goraikhpur, Gonda, Baharich, Almorah, Garhwal and Kheri. The revenue realised amounted to Rs. 2.38 lakhs in 1927-28, against Rs. 2.24 lakhs in 1926-27. In 1912-13, this system was extant in parts of Bawah, Pilibhit, Allahabad, Aligarh, Goraikhpur, Gonda, Baharich, Almorah and Garhwal districts. The revenue realised under this system then amounted to Rs. 1.47 lakhs. For the area under, and the population served by this system, please see statement V.

206. *Connection of shops and stills under the furnishing and out-still systems.*—Ordinarily, under the out-still system, there is one place only for both manufacture and vend; but, when necessary an outlying shop may, with the special sanction of the Excise Commissioner be attached to a combined still and shop.

207. It will be seen from the foregoing paragraphs that the great bulk of the province, including all the more developed and thickly populated districts, was under the contract supply system. The out-still system applied only to the thinly populated and inaccessible tracts on the northern, eastern and southern boundaries. On the north, the out-still system included nearly the whole of Garhwal district and on the north-east it formed a protective belt between Nepal and the districts of Almorah, Pilibhit, Kheri, Baharich and Goraikhpur. On the south, it embraced the uplands of Mirzapur.

208. *Special exemption from the Excise laws and rules in certain localities.*—The Bhutias were exempt while residing within the paraganas of Dharma and Johar in the Almora district and in paraganas Pankhanda in the Garhwal district of the Kumaon division, from all those provisions of the United Provinces Excise Act IV of 1910, which prohibit or render penal the manufacture of liquor except under a license and the possession of liquor in excess of retail quantities, provided that any liquor which they manufactured or possessed was used for domestic consumption only, and not for sale. The inhabitants of those portions of paraganas Jamsar-Bawar in the Dehra Dun district which lie outside the town of Kalsi and the Cantonment of Chakrata were also exempt from the provisions of the Act, in so far as they were permitted to manufacture without license, for domestic consumption only and not for sale, spirit and fermented liquor known as *Sar* and *Rubra*, respectively, and to possess such spirit and fermented liquor in excess of retail quantities.

TARI, ETC.

209. *Tari* is the sap of the palmyra palm. As a rule, the only taxation on *tari* is that obtained from licenses for its retail sale. The number of shops is fixed and the privilege of vend may be sold for each shop individually, or the monopoly of vend in a district or tahsil may be farmed to a

single contractor who may sublet the privilege if so disposed. No distinction is observed between "fermented" *tari* and "fresh" (or un-fermented *tari*). Both are subject to the same system and incidence of taxation.

210. *Tree-tax system*.—The tree-tax system was in force during the year in one taluk of Basti district and the whole of the Gorakhpur district. A tax of Rs. 6-12-0 and Rs. 5-12-0 on each *Khajur* or date-palm tree and of Rs. 2-4-0 and Rs. 2-2-0 on each *Khajur* or palmyra tree and of Rs. 2-4-0 per *tar* and Re. 0-12-0 per *Khajur* tree-tapped. Owners of trees were allowed to tap up to a limit of 5 trees annually on payment of the tree-tax, for domestic consumption only.

The total number of shops for the retail sale of *tari* in 1927-28 was 1,650 against 1,714 in 1926-27, and 3,023 in 1912-13.

211. *Other native fermented liquors*.—Sundhi is a kindred drink to *tari*, and is made from the sap of the wild date-palm (*Phoenix sylvestris*). Its consumption is insignificant and for the purpose of taxation is generally included in the *tari* contracts.

Darbhora is a variety of country beer obtained by fermentation of various herbs. It is very slightly alcoholic, has a limited consumption in the Azamgarh district and is included in *tari* contracts.

Boza is a fermented liquor made from rice. It is used very little and is included in *tari* contracts.

212. *Receipts from tari, etc.*—The total revenue from *tari* (which includes receipts from the other liquors mentioned above) was Rs. 7.35 lakhs in 1927-28, against Rs. 6.89 lakhs in 1926-27 and Rs. 3.32 lakhs in 1912-13.

INDIAN-MADE FOREIGN SPIRITS.

213. *Manufacture and duty*.—Rum, and spirits sophisticated to resemble whisky, brandy and gin, as well as rectified spirit and denatured spirit, were manufactured after European methods both for local use and for export, at the private distilleries at Shahjehanpur, Cawnpore, Unao, Saharanpur and Lucknow. Issues had to be covered by a pass granted by the Officer-in-charge of the distillery. No fee was charged for the distillery license; but the distillers had to deposit security which was liable to be forfeited should they commit any breach of the conditions of their license. The rate of still-head duty on such liquors was Rs. 21-14-0 (the Indian Customs tariff rate) per proof gallon in each of the years 1926-27 and 1927-28, compared with Rs. 9-6-0 per proof gallon on rum and other sophisticated spirits, and a duty of 5 per cent. *ad valorem* on denatured spirit in the year 1912-13. Rum issued to troops was excised at Rs. 10-0-0 per L. P. gallon. Since 1915-16, no duty is levied on denatured spirit. Rectified spirit is issued at Rs. 5 per L. P. gallon to approved chemists and druggists for the manufacture of drugs, medicines and chemicals.

214. In 1927-28, 21,780 proof gallons of rum, sophisticated spirit, and rectified spirits of wine were issued from the six privately owned joint-stock distilleries for consumption in the United Provinces; 56,316 gallons were issued to other provinces of which 38,234 gallons were exported in bond and 18,082 gallons on prepayment of duty. In 1926-27, 24,218 proof gallons of rum, sophisticated spirit and rectified spirit were issued for consumption in the provinces and 66,557 gallons were issued to other provinces. In 1912-13, the quantity of rum, sophisticated spirits and rectified spirit issued for ordinary consumption in the provinces amounted to about 13,575 proof gallons. About 16,802 gallons of such spirits were issued to other provinces.

Indian-made foreign liquor (except beer from the Punjab) was allowed to be imported only on prepayment of duty in the United Provinces or in bond. Import of beer from the breweries in the Punjab was allowed on prepayment of duty in that province for subsequent transfer to this province by book adjustment. Export of duty-paid Indian manufactured foreign liquor from wholesale premises was made under passes. 215. Indian-made rum, whisky, brandy and gin were sold under the same licenses as imported European spirits; the vendors making their own arrangements for supply either from the distillery direct or through wholesale vendors.

An export duty of two annas per L. P. gallon was levied on export of all locally manufactured foreign spirit except denatured spirit to other provinces and Indian States.

INDIAN-MADE BEER, ETC.

216. *Manufacture and duty.*—Malt liquors were manufactured after the English method in private breweries at Chakrata and Ramkhet. A duty of eight annas per bulk gallon was charged on all issues. Beer could be removed from breweries on a pass from the Collector. If a brewer had duly executed a bond, he was authorised to issue the pass himself, provided the duty on the quantity thus issued did not exceed the amount of the bond. No fee was charged for a license to work a brewery. 217. In 1927-28, the total issues amounted to 84,199 gallons, all of which were consumed within the province. In 1926-27, the total quantity of Indian-made beer issued for consumption in the province amounted to 90,650 gallons, against 331,864 gallons in 1912-13. 218. Indian-made beer is included in the definition of foreign liquor and was sold along with the imported article in shops licensed for the sale of European liquors generally.

EUROPEAN LIQUORS.

219. Revenue from the over-seas imported liquors was derived only from fees for the right to sell; the duties thereon being collected by the Customs Authorities. A license for the sale of European liquors covered the sale of sophisticated spirits and fermented liquors manufactured in India after the European methods. Wholesale vend licenses for sale to the trade only were granted on payment of fees ranging from Rs. 100 to Rs. 300 a year, while the fees for those which covered sales both to the trade and the public were assessed according to a fixed scale on the actual sales during the previous year and were subject to a minimum of Rs. 100 a year.

Fees for retail vend licenses were also assessed on the actual sales but according to different scales. The fees for a shop license for consumption 'off' the premises was assessed on a lower scale than that for consumption both 'on and off' the premises. License fees were assessed in each case by the Excise Commissioner on the basis of figures of actual sales in the preceding year reported by the Collector. In towns where Licensing Boards exercised jurisdiction, licenses for sale for consumption 'on and off' the premises, i.e., for ordinary drinking taverns, were under the control of the Boards. Occasional licenses for the vend of spirit at public entertainments were also granted by District Officers on a fee of Rs. 4 per diem. When an 'on and off' license was granted for premises attached to a theatre or cinema, the minimum fee was Rs. 1,500, per annum. The license fee for the retail vend of denatured spirit was Rs. 25 per annum only.

Licenses to bottle foreign liquor were granted to wholesale vendors only, on fees varying from Rs. 100 to Rs. 300 a year.

220. *Receipts from and consumption of foreign liquor*.—In 1927-28, the total receipts from vend licenses for European liquors (including those manufactured in the country) amounted to Rs. 2.09 lakhs, against Rs. 1.98 lakhs in 1926-27 and Rs. 0.63 lakh in 1912-13. A comparative statement showing sales of the three classes of imported foreign liquor is given below :—

Year.	Imported liquors.		Liquors manufactured in India and classed as foreign liquors.	
	Spirits in L. P. gallons.	Wines in Imperial gallons.	Beer in Imperial gallons.	Spirits in L. P. gallons.
1916-17	65,388	27,338	118,781	Not available.
1926-27	42,298	18,174	147,389	7,685
1927-28	41,672	19,742	243,843	8,067
				334,781
				337,954
				125,261

LICENSING BOARDS.

221. In the municipalities of Allahabad, Cawnpore, Benares, Lucknow, Agra, Meerut, Bareilly, Moradabad, Gorakhpur, Fyzabad, Naini Tal, Jhansi, Aligarh, Saharanpur, Shahjehanpur, Mirzapur, Farrukhabad, Fatehgarh, Dehra Dun, Jaunpur, Muttra, Etawah, Budau and Hathras. Licensing Boards, with powers to determine the number and location of Excise shops and to select licensees were constituted. Their composition was as under :—

- 5 members representing the municipality (elected) ;
 1 member representing education (elected) ;
 1 member representing temperance (elected) ;
 1 member representing labour (nominated) ;

1 member representing the Excise licensees (elected) ;
and the District Excise Officer as member and Secretary.

The Boards had jurisdiction over :—

- (a) shops for the retail sale of country spirit ;
- (b) shops for the retail sale of opium ;
- (c) shops for the retail sale of intoxicating hemp drugs ;
- (d) shops for the retail sale of tar (except as regards the selection of licensees, where the licensees were sold by auction) ;
- (e) shops for the sale of " foreign " liquor for consumption " on and off " the premises.

The decisions of the Boards were subject to revision by the Local Government on appeal.

ADVISORY COMMITTEES.

222. In each municipality in which a Licensing Board had not been constituted and in each district excluding municipal and Cantonment areas, an Excise Advisory Committee was appointed every three years. The Committee was composed of :

- 2 members of the municipal board or of the district board, according as the Committee represented an urban or rural area ;
- 2 members representing other interests, especially education and temperance ;
- 2 members of the Legislative Council, representing the constituency in which the Committee functioned and the District Excise Officer as member and Secretary.

The duties of the committee were (1) to meet annually to consider (a) the number and location of shops in the municipality or district and (b) any representations made in connection with the inhabitants of the Municipality or district, to record resolutions thereon, and to communicate them to Collector, (2) to meet when convened by the Collector for the purpose of giving him advice on matters connected with Excise, (3) to meet when convened by a requisition addressed to the Chairman by not less than three members ; and (4) to make periodical enquiry every third year as to the location of shops.

223. *Achievements of the Licensing Boards and Advisory Committees.*—The result of the settlement made by the 23 Boards in so far as it related to liquors was as given below :—

Kind of shop.	Number of shops in 1927-28.	Changes proposed.		Accepted by Excise Commissioner or by Government.	
		Closure.	New shops.	Closure.	New shops.
Country spirit	126	5	1	3	1
Tari	85	5	1	5	1
Foreign liquor	10	2	1	..	..
..
..

The question of extending the system of Licensing Boards to rural areas in a few districts experimentally was under the consideration of Government.

The result of the settlements proposed by the Advisory Committees was as shown below :—

Kind of shops.	Committees' proposals.	District Officers' recommendations.		Accepted by Excise Commissioner or by Government.		
		New shops.	Closure.	New shops.	Closure.	
Country spirit ..	Closure.	New shops.	36	68	11	65
			11	65	37	65
Tari ..	New shops.	Closure.	51	65	11	35
			37	65	11	35

224. There were 12 registered and 9 unregistered temperance societies in the province. A brief record of the work done by each of them is now kept in the Excise Commissioner's office.

It appears from this that temperance societies still believe in bringing pressure on Government to reduce facilities for the supply of illicit intoxicating articles than in propaganda against intoxicants among the public. What however is preventing Government from proceeding further in the path of abstinence is the practical difficulty due to illicit distillation and smuggling, and it is here that the help of temperance societies is most needed. If temperance societies will but look upon the boot-legger and shebeener with the same hatred as they do upon a licensed Excise shop and induce the public to do likewise, much will be achieved. As it is, many Societies seem to leave both the tasks of propaganda among the public and of restrictive executive measures to Government.

225. *More important administrative changes.*—The first meeting of the provincial Excise Board was held on September 12, 1927, and matters of general policy were discussed in it. Its constitution and functions appeared in the following G. O. No. 268/XIII-33, dated July 20, 1926.

Excise Department Resolution No. 268/XIII-33, dated 20th July 1926. The following rules have been framed for the constitution, functions and procedure of the Excise Advisory Board, United Provinces :—

(1) The Board shall consist of a President and thirteen other members. The President shall be nominated by Government. Six members will be elected by the non-official members of the Legislative Council from among themselves. Three members will be Chairmen of Excise Licensing Boards, to be appointed by Government. The remaining members will be the Secretary to Government in the Excise Department, the Excise Commissioner, a District Officer, and an Assistant Excise Commissioner, to be appointed by Government. The Deputy Secretary to Government in the Excise Department will act as a Secretary to the Board.

(2) The elected members will hold office until the next Legislative Council has been elected. The members who are Chairmen of Licensing Boards will hold office during the term of office of the Licensing Boards of which they are Chairmen. A vacancy will be filled by election by the non-official members of the Legislative Council, or by fresh nomination by Government, as the case may require. The functions of the Board will not be suspended on account of any vacancies, provided that a full quorum can be formed.

(3) The Board will ordinarily meet once a year, provided that it may meet more often, if in the opinion of the President there is sufficient business, and on such dates and at such places as may be fixed by the President.

(4) Ordinarily one month's notice of the date and place fixed for a meeting shall be given by the Secretary to all members.

(5) The President and seven other members shall form a quorum.

(6) All communications for the Board shall be addressed to the Deputy Secretary to Government in the Excise Department at Lucknow between October 15 and April 14, and at Yamlai Tal between April 15 and October 14.

(7) The Secretary shall prepare the agenda of the meeting and shall supply copies of the agenda to all members at least seven days before the date fixed for the meeting.

(8) The President shall have discretion to allow any matter which is not on the agenda, but which he considers urgent, to be brought before the meeting.

(9) The President shall have a casting vote in the event of an equality of votes.

(10) The Secretary shall prepare minutes of the Board's proceedings. All resolutions passed at a meeting of the Board shall be read out at once and approved by the Board.

The more important administrative changes effected during the year were:—

(1) Extension of the system of vend of country spirit in sealed bottles to six other towns making up a total of 1 district and 25 towns in all.

(2) Revision of the lists of medicated wines prescribed under rule 270.

(3) Revision of the scale of monthly license fees for country spirit shops from April 1, 1927.

In addition to the above changes, important amendments to rules 78A (selection of Indian-made foreign liquor), 94C 12 (2) (partnerships), 225A to 225H (import fee), and 265 (rules of surcharge on foreign liquor shops) were taken in hand.

226. Any important debate, bill or resolution relating to intoxicating liquors in the Legislative Council.—The draft local option bill was published in the Government Gazette, dated September 3, 1927, for criticism.

227. Prosecutions and Convictions.—The total number of cases under the Excise Act increased from 1,488 in 1912-13 to 2,821 in 1927-28. It was 2,356 in the year 1926-27.

Prosecutions relating to liquor rose from 1,520 in 1926-27 to 1,745 in 1927-28, thereby showing an increase of 14.8 per cent. Offences of illicit manufacture, or illicit sale or possession of spirit were reported from all but one district (Bulandshahr). The largest number of offences was reported from Rae Bareilly 237, followed by Allahabad 224, and Lucknow 115. The offence of illicit distillation is reported to be widely practised in (1) Dehra Dun, (2) Allahabad, (3) Bareilly, (4) Budaan, (5) Benares, (6) Gorakhpur, (7) Lucknow, (8) Faizabad, (9) Rae Bareilly, (10) Fyzabad, (11) Sultanpur, (12) Bara Banki, (13) Saharanpur, (14) Muzaffarnagar, (15) Moradabad, (16) Farrukhabad, (17) Cawnpore, (18) Fatehpur, (19) Meerut, (20) Partabgarh and (21) Haridwar districts. The crime of illicit distillation was not restricted to the caste of *pasis*, as before, but cases were detected in which Brahmans, Thakurs, Banias and Pathans were also convicted for the offence. Cases were also detected of diluting denatured spirit for potable purposes.

ADMINISTRATIVE AGENCY.

228. The Excise Administration of each district was in the hands of the Collector, under the supervision of the Excise Commissioner. The latter officer worked under the general control of the Local Government. The control of Excise work in each district is usually delegated to an Excise Commissioner known as the Officer-in-charge of Excise. The Deputy Commissioner on all technical matters connected with the administration of the department. He has full powers of inspection, and has in particular charge of any distilleries, and warehouses. He may be placed in direct work in any specified local area. In addition, there were 7 Assistant Excise Commissioners working directly under the Excise Commissioner. An Assistant Excise Commissioner's charge consists of 5 to 7 districts. He directs and supervises the work of the Inspectors in his charge, especially on the technical side. He consults the Collector on local Excise matters, and keeps him informed on matters of Provincial Policy and advises him on technical and administrative points. The Collector may give the Assistant Excise Commissioner instructions as to matters into which he should enquire during his stay in the Collector's district. The appointment of Assistant Excise Commissioners does not relieve the Collector of responsibility for the Excise administration of his district. The subordinate staff consist of Excise Inspectors of whom usually 2 or 3 are posted in each district and of Excise peons two of whom are usually attached to each Inspector. On the recommendation of the Economy Committee the administrative charge of Excise in all the districts of Allahabad Revenue Division was transferred from the Assistant Excise Commissioner to the Collector but the charge of Cawnpore district has since been re-transferred to the Assistant Excise Commissioner. Government have decided that the experiment has not been

successful and the post of Assistant Excise Commissioner has been restored since the close of the year. Every contract bonded warehouse and every distillery is in the charge of an Excise Inspector. Inspectors are also charged with the prevention and detection of Excise crime, and to a considerable extent with the prosecution of the cases. The Police have similar concurrent duties and powers of prevention, detection and prosecution and the two departments work in co-operation.

AVERAGE TOTAL EXCISE REVENUE.

229. The average total Excise revenue of the Province as deduced from paragraph 195 *supra* was 5 annas per head of the population of which more than half was derived from the consumption of liquors. In 1926-27, the incidence of total Excise revenue per head of population was 4 annas 6 pies, against 4 annas and 4 pies in 1912-13.

CHAPTER VIII.—PUNJAB.

230. *Excise revenue.*—The Excise revenue of the Punjab for the year 1927-28 was realised under the following main heads :—

Percentage of total Excise revenue.	Receipts (in lakhs of rupees).	Heads.	
			Total
48.50	60.56	(1) Country spirit made in British India	..
.03	.04	(2) Country fermented liquors ..	..
6.42	8.01	(3) Beer ..	..
4.00	4.88	(4) Foreign liquors ..	..
31.04	38.72	(5) Opium and its preparations ..	..
9.84	12.29	(6) Hemp drugs ..	..
0.17	0.22	(7) Fines, forfeitures and miscellaneous ..	..
100.00	124.72*		..

* Does not include Rs. 6.97 lakhs, the assignment of Government of India for loss of duty on liquor exported to the Delhi and North-West Frontier Provinces.

In the previous year the total Excise revenue amounted to Rs. 121.37 lakhs, and the revenue realised from country spirits made in India was Rs. 57.31 lakhs. The corresponding figures for the year 1912-13 were Rs. 64.72 lakhs and Rs. 41.62 lakhs, respectively. In 1926-27 the revenue realised from country spirit bore a percentage of 47.22 to the total Excise revenue for that year against 62.8 in 1912-13.

This Memorandum is concerned only with the first four items.

231. *Law Regulating Liquor Traffic.*—The liquor traffic in the Punjab was regulated by the Punjab Excise Act, I of 1914, which came into force on the 1st February 1914 and rules framed thereunder.

232. *Description and extent of the distillery system.*—The whole of the spirit from which the country spirit revenue of the Punjab was derived was the produce of the private distilleries which compete freely, except for a few restrictions intended to prevent combination or other undesirable developments for the available trade. The system closely resembles the "Private distilleries supply" system, which until April 1901 was in force in the Madras Presidency. The last of the old official "central distilleries" which for some years were operated concurrently

with the private distilleries ceased working in 1903-04. The outstill system long after it had been abolished in the rest of the province, survived in the Ferozepore Jhirka tahsil of the Gurgaon district and in portions of the Kangra district, but, with effect from the 1st April, 1910, it was completely abolished and the ordinary distilleries supply system that prevailed in the rest of the Province was extended to Ferozepore Jhirka, while for the Kangra tracts, special arrangements including a lower rate of duty and the grant to retailers of the privilege of diluting were made. These special arrangements were replaced by the ordinary supply system in 1911-12, except in the Kislu sub-division where they remained in force until 1915-16.

233. *Meaning of the term "country spirit".*—The rate of duty, commonly known in the Punjab as the country spirit rate, is not so called in the Notification which lays down the various rates of duty on spirits, but is simply referred to as the rate "leviable in respect of spirits removed from any distillery licensed in the Punjab", and applies to "spirit distilled from a sugar-cane or *muhra* base, whether plain, or flavoured, or coloured to suit a special Indian taste, provided that such spirit is not described by the name of any imported liquor or prepared in such a manner as to convey the impression that it is identical in character with any imported liquor". But, when private distilleries were first licensed in the Punjab, although they used cane bases and produced spirit which was essentially similar to "central distilleries" spirit (and indeed to outstill spirit), the fact that they used more modern appliances was held to differentiate their product from "country spirit". Private distillery spirit was accordingly excised at a rate higher than the "country spirit" rate (though lower than the tariff rate), and was sometimes described as "Indo-European spirit". The country spirit rate was applied to "Central distillery" spirit only. However, with effect from the 1st April, 1898, private distilleries spirit has ceased to be separately classed and is treated as country spirit. (This followed the precedent which was set by Madras and Bombay and followed later by Bengal, Bihar and Orissa, the United Provinces, the Central Provinces and Berar and Assam). The Punjab Excise Act, 1914, defines "liquor" and "spirit" separately but the liquor definition is so worded that it covers "spirit" also. By Notification under the Act "country liquor" is defined as "all liquor other than rectified spirit, denatured spirit, and pertained spirit", not included in the definition of "foreign liquor", and this definition is completed by the description given at the beginning of this paragraph of the spirits to which the country spirit rate of duty is applicable. Foreign liquor is defined in paragraph 256 below.

234. *Source of Supply.*—Apart from foreign spirits imported into India by sea, almost all the spirit consumed in the Punjab was made at the five licensed private distilleries: Amritsar, Rawalpindi (The Murree Brewery Company), Karnal, Sujapur (in the Gurdaspur district) and Solon. Solon is in the Baghat State. Up to 31st December, 1924 the Excise rules of the Punjab were by executive order applied to the Solon distillery. Since 1st January, 1925 the distillery is being treated as outside the limit of British India and duty on spirit made at Solon, which comes into the Punjab districts is being levied as "import duty". Nearly all the spirit made at Solon is consumed in the Punjab. Other

imports of Indian-made spirit are allowed only from Kashmir, North-West Frontier and Delhi Provinces and the Rosa distillery, Shahjahanpur, and are small. The connection of Rosa with the Punjab is of long standing, and the imports—mostly rum for troops and smaller quantities of uncoloured spirit chiefly for licensees in the Ambala division from this distillery has in some years been large but recently they fell off greatly. Imports from the other sources mentioned were trifling.

235. *Plant, Raw-material, and produce of licensed Distilleries.*—At the Amritsar, Rawalpindi and Sujampur distilleries there were respectively three, two and one continuous steam stills of the familiar 'Coffee' type or of types based on the Coffey principle. At Solon there were four copper pot stills fire heated, and at Karnal there was a steam-heated wooden-bodied 'vat still' in addition to two small copper-bottomed fire-heated vat stills. There were two large copper pot stills rarely used at Rawalpindi, and the Amritsar and Sujampur distilleries had respectively a copper pot still and a wooden vat still, both steam-heated and both rarely used. Java (solidified) molasses and Punjab 'gur' were the chief raw materials used. At Sujampur, when the sugar factory situated beside the distillery was at work, sugar-skimmings and other refuse were also used. Therefore the characteristic product of all the five distilleries was 'cane' spirit and as such it was often called 'white rum' when uncoloured. It did not materially differ from the spirit which the 'central distilleries' produced. The licensed distilleries made:—

- (1) plain uncoloured cane spirit and such spirits flavoured with or without the use of caramel to suit a special Indian taste;
- (2) cane spirit coloured to the shade generally regarded as characteristic of 'rum';
- (3) cane spirit flavoured with 'brandy', 'whisky' and 'gin' essences;
- (4) whisky from malted barley (at Rawalpindi and Solon only) and
- (5) denatured and rectified spirits.

Spirits of class (1) were 'country spirit'; Spirits of classes (2) to (4) were 'foreign spirits', were excised as such (see the next paragraph below), and were not sold by country spirit retailers, nor did the one sheer limit of possession applicable to 'country spirit' apply to them. Spirits of class (5) were separate excisable articles and were sold under special licenses.

236. *Regulation of Licensed Distilleries.*—The design of buildings proposed for use as licensed distilleries had to be approved by the Financial Commissioner. The rules also provided for the posting at each distillery of one or more Excise Officers and a sufficient number of peons. The excise staff checked and took account of the manufacture, storage, and issue of spirit, and saw that no spirit left the distillery until a permit had been granted by the proper authority and the duty leviable paid or an agreement for such payments executed.

237. *Rate of still-head duty.*—The duty on 'country spirit' was raised on the 1st April, 1909 from Rs. 4 to Rs. 5 per proof gallon, on the 1st April, 1915 to Rs. 6¼, on the 1st April, 1920 to Rs. 7½, on the 1st April, 1921 to Rs. 10½, and on the 1st April, 1922 to Rs. 14½. From 1st April, 1926 duty on country spirit has been reduced to Rs. 12½ and from 1st April, 1927 to Rs. 10 per L. P. gallon with a view to combat illicit distillation and smuggling of liquor from Indian States. Denatured spirit of Indian manufacture is excised at the tariff rate—which on 1st March, 1916 was raised from 5 to 7½ per cent. *ad valorem* until February, 1917, when under orders of the Government of India the duty on Indian-made denatured spirit was abolished in order to encourage the commercial use of such spirit. The duty on all other spirits, apart from small quantities issued duty free under special arrangements for scientific and medical purposes, was the general tariff rate for 'tested' potable spirits which was raised from Rs. 9½ per proof gallon to Rs. 11¼ on the 1st March, 1916, to Rs. 18½ on the 1st March, 1921, and to Rs. 21¼ on the 1st April, 1922. The spirits excised, at this rate included Indian-made 'foreign spirits' and rectified spirit. From 1st April, 1926, the duty of Indian-made foreign liquor has been reduced from Rs. 21¼ to Rs. 17½ per L. P. Gallon with a view to check the large import of cheap German and Java liquors. A special rate of Rs. 7½ per proof gallon on rectified spirit used under proper safeguards by *bona-fide* manufacturing chemists for the manufacture of drugs, medicines, or chemicals was sanctioned in January, 1915, but withdrawn in May, 1916. A special rate of Rs. 7½ per proof gallon for spirit issued to troops was sanctioned for one year from the 1st July, 1922, to the 30th June, 1923. The concession was not renewed. All spirits coloured or uncoloured issued to troops was excised at the same rates as if issued to ordinary customers. During the year 1923-24 it was decided that the manufacture of spirituous preparations and medicines for charitable and other hospitals and dispensaries under Government control should be conducted (in bond, or, under certain safeguards, not in bond, according to the extent of the manufacture) with the use of duty-free rectified spirits, and that for the manufacture (in bond only) of medical and toilet preparations for public sale rectified spirits excised at Rs. 5 per proof gallon (of contained spirit) should be used.

238. *Distribution of spirit from distilleries.*—There were no bonded ware-houses for storage of spirits in the Punjab. Issues for consumption in British districts of the province were made direct to wholesale or retail vendors and only after payment of duty. No allowances were made for wastage or dryage in transport. The allowances formerly made were abolished in 1922-23. Formerly distilleries were allowed to take out through their agents, wholesale vend licenses for depots throughout the province. It was found that the system interfered with the proper distribution of spirit, and there was a tendency for a distillery to give orders from its depots preference over other orders. From December, 1919, therefore, the right of distilleries to take out wholesale vend licenses of the ordinary kind was withdrawn and a new license for sales to wholesalers only was introduced in order to enable distilleries to bottle and sell their special brands. From the 1st

April, 1915, the province was divided into spheres; minimum and maximum prices of Re. 1.2/6 and Re. 1.3/6 per proof gallon, respectively were fixed for plain country spirit, and each distillery was allotted one sphere with a monopoly of the right to supply spirit within it, except that vendors could import from the Rosa distillery, Shahjahanpur, or from the Delhi province. A maximum price not having been fixed for spiced (special) country spirit, distillers charged unduly high prices for it. The sphere system, so far as it applied to this class of spirit, was accordingly discontinued during the latter part of 1916 and was abolished entirely at the end of three years for which it was originally sanctioned. From 1st September, 1924, bottling in bond at distilleries, and transport in bond from one Punjab distillery to another have been allowed.

239. *Wholesale licenses*.—Wholesale licenses for sale of country spirit to wholesale or retail country spirit vendors were issued at a fixed fee of Rs. 50 per annum. In 1927-28 there were 67 licenses for the whole-sale vend of country spirit in the Province, against 68 in the preceding year and 95 in 1912-13. In 1912-13 wholesale licenses for the sale of country spirit were issued at a fee of Rs. 24 per annum.

240. *Retail licenses*.—Before the end of each official year the licenses

for retail vend during the coming year are put up to auction separately. Local monopolies of retail vend are avoided as much as possible. Leases for a period in excess of one year are not granted otherwise than with the sanction of the Financial Commissioner. In accordance with the recommendations of the Standing Excise Committee of the Provincial Legislature (Council, retail vend licenses of country spirit and foreign spirit in a few selected districts were auctioned for a term of three years as an experimental measure during 1920-21. This was done to remove speculation in bidding for licenses, but contrary to expectations, there was ruinous competition, which led to rash bids, in consequence of which the terms of licenses in several places had to be reduced to one year. Towards the close of the same year licenses for 1922-23 were sold by calling for tenders at gallons rates, i.e., by inviting tenders to say how much they were prepared to pay per gallon of the spirit sold. This system was continued for the year 1923-24, but it was decided to revert to auction for the year 1924-25. The number of retail shops open in 1927-28 was 655, against 661 in the preceding year and 795 in the year 1912-13.

241. *Sale price per bottle of country spirit*.—Since the 1st April, 1924, a schedule of the maximum price per bottle at which plain country spirit is to be sold retail has been in operation. During 1927-28 the prices ranged between Rs. 2.2/0 to Rs. 2.8/0 per quart bottle; comparison of low prices being fixed for areas in which illicit distillation was rife, or, in those which bordered upon Indian States.

242. *Sale strength of country spirit*.—A uniform sale strength of 30° under proof was introduced from the 1st April 1921. From the 1st April, 1924, the sale strength has been raised to 20° under proof. Sale strength for the Simla district and the Kasauli Cantonment in the Ambala district has been reduced to 40° under proof with effect from 1st April 1927.

243. *Bottles*.—From 1st April, 1925 country spirit was sold in bottles containing 26.6 or 13.3 oz. From 1st April, 1926, quarter bottles of 6.6 oz. have also been introduced into the townships of Lahore, Amritsar and Rawalpindi.

244. *Export to Sind*.—Since November, 1917, the Excise authorities of Sind had obtained considerable quantities of spirit from the Amritsar distillery, owing to the distillery erected in place of the old Sind distillery not being in full working order. No such exports, therefore, took place in 1925-26, 1926-27 and 1927-28.

245. *Arrangements with other States*.—During the year 1923-24 an arrangement was concluded according to which certain Punjab States were required to raise still-head duty and retail price in their territories, in order to discourage smuggling into British territory. An Excise Board composed of representatives from these States, with the Financial Commissioner as Chairman, meets twice a year to discuss matters of this kind.

246. *Sealed bottle system*.—The sealed bottle system was first tried in parts of the Rozzopore district from the 1st April, 1916. This system only allows retail sale in sealed bottles for consumption off the premises. It has since been extended to almost all the districts in the Province and is believed to have reduced public drunkenness and rowdiness, but it has led to illicit sale by a large number of petty traders as Soda-water sellers and pan-sellers who buy single bottles, and sell them by "pegs".

247. *Local Option Act*.—The Punjab Local Option Act, 1923, came into force from the 1st April, 1924. Under this Act several local bodies asked for powers to prescribe the maximum number of country liquor shops within the areas under their jurisdiction. These powers were granted, but no closures of liquor shops were made.

Practically no use was made by local bodies of their powers under the Act in 1927-28 as regards the closure and location of country spirit shops. The Municipal Committee of Amritsar proposed to introduce prohibition within municipal limits. A Referendum, as required by section 5 of the Local Option Act, was ordered, but before polling could take place, the Municipality realised the futility of the measure and withdrew the resolution. The number of cases of unlawful sale of liquor by *Shawab* sellers, those of import of illicit liquor into the city and the capture of an illicit still in the heart of the city itself clearly indicated that the proposed prohibition would not be effective. On the resolution of the Municipal Committee, Rawalpindi, three country spirit shops in that city were amalgamated into one.

248. *Fixed allotment system*.—From 1st April, 1921, it was decided that retail shops should not be supplied with more than 90 per cent. of the amounts sold in 1919-20. The object of this step was to check the great increase in consumption which the steady rise in prosperity had led to. This, however, proved entirely unnecessary, for owing to the anti-liquor agitation combined with the effects of enhanced duty and the high licence fees there was such a slump in issues in 1921-22 that the 'allotments' were not even approached. The system of rationing has since been abandoned.

249. *Consumption and average taxation*.—The issues of Punjab distillery spirit during the year 1912-13, 1926-27 and 1927-28 were as follows: (The 1927-28 figures exclude 52,630 proof gallons supplied free of duty to the Punjab States. In 1926-27 only 3,510 gallons were thus supplied. The increase is due to the securing of a contract for the entire supply of

Liquor to Patiala State by the Amritsar Distillery Company. This supply was made by the United Provinces Distilleries previous to 1927-28.

PUNJAB.

	Issues to the Punjab (proof gallons).			Issues to the North-West Frontier Province (proof gallons).			Issues to other provinces (proof gallons).		
	1912-13.	1926-27.	1927-28.	1912-13.	1926-27.	1927-28.	1912-13.	1926-27.	1927-28.
Plain spirit taxed at Rs. 5 in 1912-13 and at Rs. 12-8-0 in 1926-27 and at Rs. 10 in 1927-28 per L. P. gallon	350,260	174,158	257,466	16,916	8,527	9,715	..	13,069	14,858
Special spirit taxed at Rs. 5 in 1912-1913 and at Rs. 12-8-0 in 1926-1927 and at Rs. 10 in 1927-28 per L. P. gallon	100,903	129,693	174,501	1,893	5,212	6,974	960	8,935	19,517
Coloured and sophisticated spirit taxed at Rs. 9-6-0 in 1912-13 and at Rs. 17-8-0 in 1926-27 and 1927-28 per L. P. gallon	16,365	18,369	9,705	1,352	30	217	..	(b) 8,687	7,495
Rectified spirit at Rs. 9-6-0 in 1912-1913 and at Rs. 21-14-0 in 1926-27 and 1927-28 per L. P. gallon .. .. .	..	4,429	12,420	..	245	212	..	..	..
Coloured and sophisticated spirit taxed at Rs. 5 in 1912-13 and at Rs. 12-8-0 in 1926-27 and at Rs. 10 in 1927-28 per L. P. gallon	5,294	(a) 2,253	(a) 1,628	3,052	..	100	1,550	..	..
Denatured spirit duty free .. .. .	..	565	1,833	..	275	287	..	..	..

(a) Issued as white rum to troops at Rs. 10 per L. P. gallon.
(b) Includes 4,862 gallons issued in bond to Bombay.

The imports into the Punjab during 1927-28 of spirits from the Rosa distillery in the United Provinces amounted to 5,992 gallons as shown below:—

..	..	Plain spirit taxed at Rs. 12|8|0 per proof gallon
..	..	Spiced spirit taxed at Rs. 12|8|0 per proof gallon
..	..	Coloured and sophisticated spirit taxed at Rs.
821	..	21|4|0 per proof gallon
5,168	..	Denatured spirit duty free
5,992	..	Total ..

In 1926-27 the imports of spirits from the Rosa distillery in the United Provinces amounted to 4,880 proof gallons against 10,849 proof gallons in 1912-13. The total supply of plain and spiced country spirits to the Province in 1927-28 was thus 434,733 proof gallons as indicated below, while the actual consumption was 383,156 proof gallons, i.e., an average consumption of 1.85 proof gallons per 100 of the population. The amount of vend fees realised thereon having been Rs. 15.02 lakhs, the average taxation per proof gallon on the quantity issued works out to Rs. 3|7|3 and that on the quantity consumed to Rs. 3|14|9. Adding to these the duty of Rs. 10 per proof gallon the average total taxation amounted to Rs. 13|14|9 per proof gallon of the quantity issued and Rs. 13|14|9 per proof gallon of the quantity consumed.

..	..	Plain spirit issued from local distilleries
257,466	..	Plain spirit imported from Delhi
870	..	Plain spirit issued from local distilleries
174,501	..	Spiced spirit imported from Delhi
1,896	..	Plain spirit imported from the United Provinces
434,733	..	Total

In 1926-27 the total supply of plain and spiced country spirits to the Province amounted to 306,308 proof gallons, against 454,234 proof gallons in 1912-13, whereas the actual consumption was 297,757 proof gallons in 1926-27 compared with 419,932 proof gallons in 1912-13. The average consumption of country spirit per 100 of population in 1926-27 and 1912-13 was 1.43 and 2.14 proof gallons, respectively. The consumption of country spirit in 1927-28 increased by 85,399 L. P. gallons as compared with that of the previous year. The increase in consumption is considered to be due mainly to the reduction of duty on country spirit.

The receipts from vend fees amounted to Rs. 16.27 lakhs in 1926-27 and to Rs. 16.42 lakhs in 1912-13. In 1912-13 the average taxation per proof gallon was Rs. 3|9|10 and the average total taxation amounted to Rs. 8|9|10 per proof gallon, the rate of duty being Rs. 5 per proof gallon.

In 1926-27 average taxation per proof gallon on the quantity issued was Rs. 17|12|0 and that on the quantity consumed Rs. 17|15|4. The rate of duty in 1926-27 was Rs. 12|8|0 as against Rs. 10 in the year under review.

250. *Receipts, etc.*—Revenue derived from country spirit in each of the years 1912-13, 1926-27 and 1927-28 was as follows:—

In lakhs of rupees.					
1912-13.	1926-27.	1927-28.	By duty	By vend fees (including fees from distilleries)	Total ..
41.20	41.04	45.64	16.42	16.27	15.02
41.62	57.31	60.56			

251. The only country fermented liquor made in the Punjab are *laguri* or rice-beer and *sur* or barley beer, which are consumed in Kangra proper and in Kulu. Licenses for home manufacture and consumption of these were granted for nominal fees, and shops for retail vend were licensed at places fixed by the Deputy Commissioner, the license fees payable being determined by auction. No tax is tapped or sold in the Province. The receipts from country fermented liquors amounted in 1927-28 to Rs. 0.04 lakh, against Rs 0.06 lakh in the preceding year and Rs. 0.03 lakh in the year 1912-13.

MALT LIQUORS.

252. Of the five breweries at Solon, Kasauli, Ghoragali, Rawalpindi and Dillhousie, the two first named, being situated in the Bhagat State, have since 1st January, 1925, been treated as outside the territorial limits of British India, and beer made there if it enters the Punjab is charged with import duty, less an allowance of 6 per cent, to cover the wastage in transit. At the other breweries mentioned duty is charged on the gallons of worts actually collected in the fermenting vessel less an allowance of 10 per cent, to cover the wastage that occurs during the subsequent handling of the beer.

253. *Vend arrangements.*—The wholesale vend of beer whether made in India or imported from Europe was licensed either conjointly with that of foreign liquors or separately. The rights of selling beer by retail was under the rules generally confined to persons holding licenses for the retail vend of foreign liquors. In 1912-13, however, 12 country spirit shops were licensed for the sale of beer in the Ferozepore district.

and 4 separate shops for the sale of beer only were also licensed in the same district as an experimental measure with the object of facilitating the substitution of the consumption of beer for that of country spirit. In 1913-14 the sale of beer was permitted in 32 shops, licensed to sell country spirit, and 23 shops for the sale of beer only were established in 12 districts of the Province. The experiment with combined shops, however, proved a failure and had to be abandoned at the end of December, 1913. With regard to the separate beer shops the results so far have not proved satisfactory and the experiment has practically come to an end. In 1927-28 there were a few retail-vend beer shops, all located in big towns of the Province.

254. *Receipts from consumption of beer.*—The revenue from the duty on beer in 1927-28 amounted to Rs. 7.37 lakhs, against Rs. 6.67 lakhs in the preceding year and Rs. 2.38 lakhs in 1912-13. No separate figures are available to show the receipts from license fees paid for the right of selling beer for the reason that, as explained in the preceding paragraph, the vend of beer was generally licensed conjointly with that of foreign liquor.

255. The statement below shows the consumption of Indian-made beer in the Province:—

(In Imperial gallons).

	1916-17	1926-27	1927-28
.. .. .	1,191,515*	1,486,931	1,349,182
..
..
..

*These figures include exports to other provinces but exclude 972 gallons exported to Rajputana.

FOREIGN LIQUORS.

256. "Foreign liquor" as defined by notification under the Punjab Excise Act, 1914, is "any liquor, other than rectified spirit, denatured spirit, and pertumed spirits, on which duty at a rate higher than that levied on country liquor is leviable". Examples of foreign liquor are the so-called whisky, brandy, and gin, distilled in India from a cane base with the addition of essences, and ordinary cane spirit coloured with caramel so as to be virtually identical with rum. Whisky distilled in India from malt, and beer brewed in India are foreign liquors. The duty receipts on issues of such spirits from the Punjab distilleries in 1927-28 amounted to Rs. 2.43 lakhs, against Rs. 3.9 lakhs in the preceding year. Vend license fees constitute the only revenue derived in the Punjab from liquor imported by sea. The import duty on such liquors is credited to Customs revenue. The import of Indian-made foreign spirits is allowed only from Kashmir, the North-West Frontier and Delhi Provinces and the Ross distillery, Shahjahanpur; import of other foreign liquors is not restricted.

257. *Wholesale Licenses.*—Licenses for the wholesale vend to the trade only of foreign liquors including wines, spirits and beer, whether imported or manufactured in India, were granted on payment of a fee of Rs. 50 per annum. In 1912-13, wholesale licenses for the vend of imported liquors were granted on payment of a fee ranging ordinarily from Rs. 100 to Rs. 300 per annum.

258. *Retail Licenses*.—Licenses for the retail vend of foreign liquors were granted either on payment of fixed fee or on fees determined by public auction in the same way as the license fee for the vend of country spirits. The auction system was usually followed for bazars and other places, where imported spirits made in the cheaper sorts are likely to enter into competition with spirits of the country. But in cantonments and other places, where population is largely European, it was for many reasons desirable to grant licenses on fixed fees to merchants of acknowledged respectability for retail vend, with which was combined wholesale vend to the trade and public. The fee for a license for sale to the public was calculated upon a scale which would ensure the maintenance of the aggregate taxation of foreign liquor at a figure at least equal to that of country spirit. An all round rate of Re. 1 per gallon for spirits and wines, and 4 to 6 pies per gallon for beer, was considered suitable, and according to this scale the license fee was calculated on the recorded sale figures. Such licenses allowed consumption off the premises only. Hotels and railway refreshment rooms could obtain licenses to sell for consumption on the premises by paying a fee from Rs. 100 to Rs. 1,000, and the fee was reduced in the case of small hotels, boarding houses, or refreshment rooms. Restaurants paid from Rs. 100 to Rs. 500. Licenses authorising consumption off the premises also were given to these institutions on payment of extra fees. Special licenses at fees ranging from Rs. 50 to Rs. 500 were required for bars attached to hotels or restaurants. The rules provide for the grant of special licenses in the case of theatres or similar places of amusement and dak bungalows, clubs, co-operative associations, institutes, etc. Licenses were granted for the vend of imported spirits on railway dining cars for consumption on the car only, on fees ranging from Rs. 25 to Rs. 500 per annum. Licenses for the retail vend of liquor in military canteens were granted by the Collector with the approval of the Officer Commanding on payment of license fees calculated on an all-round rate of Re. 1 per gallon for spirits and wines, and 4 to 6 pies per gallon for beer. The old system of disposal of such licenses on payment of a fee of Rs. 24 per annum for a regiment and Rs. 12 per annum for a smaller unit is no longer in existence.

259. *Consumption*.—The statement below shows the consumption of potable foreign liquors (imported) in 1916-17, 1926-27, and 1927-28:—

	1916-17.	1926-27.	1927-28.
Spirits (Proof gallons)	35,023	58,237	59,281
Wines (Imperial gallons)	10,871	20,528	19,785
Beer (Imperial gallons)	68,276	210,953	222,835

260. *Mixed Wines*.—No license was required for the sale of mixed wines containing less than 10 per cent. of alcohol by weight, but mixed wines containing alcohol obtained by distillation in quantities exceeding 10 per cent. but not exceeding 21 per cent. by weight (equal to about 42 per cent. of proof spirit), could only be sold under licenses granted by Collectors on payment of a fee of Rs. 50 per annum

for each. Such wines, when they contained over 21 per cent. of alcohol by weight, could only be sold by a licensed vendor of ordinary foreign liquors.

261. *Sale Receipts*.—The receipts from fees for licenses to sell foreign liquor by wholesale and retail in 1927-28 amounted to Rs. 2.45 lakhs, against Rs. 2.88 lakhs in the preceding year and Rs. 2.01 lakhs in the year 1912-13.

262. *Location of shops*.—The number and location of all liquor and drug shops in the Punjab were investigated in 1919-20, and the number to be retained in future was fixed after enquiry into the local circumstances of each shop had been made. No departure from the scale thus fixed was allowed except with the previous sanction of the Commissioner of the Division. Local municipal bodies have been constituted the regular advisers of the Collectors on matters of Excise policy. Every autumn the Collector is required to send his proposals for alterations in the number or location of licensed shops, and in the Excise administration in general, of the towns or local areas, to the local body concerned, who are allowed two months to consider them and to make their representations which, if not accepted by the Collector must be referred to the Commissioner.

263. *The Excise Board*.—The Excise Board to which the Punjab States send their representatives arrived at certain conclusions regarding important Excise questions which were very useful in facilitating the arrangements both of the Punjab Government and the neighbouring States. A meeting of the Excise Board was held on the 28th November, 1927. No important resolution was passed.

264. *Important Legislation and Changes*.—In March 1928, Chaudhri Atzal Haq gave notice of introducing a motion for cut in the demand for Excise. His object in doing so was that Government should announce that total prohibition was its declared policy. The Excise policy of the Government was severely criticised by several non-official members. But, in view of the fact that the motion in question suggested a policy which could not be enforced without changing the existing Excise Law, the Hon'ble the President ruled the motion as out of order and the Excise demand was passed without any cut.

265. *Arrests and Convictions*.—The following statement shows the number of persons arrested and convicted for offences under the Excise and Opium Laws during the years 1912-13, 1925-26, 1926-27 and 1927-28 :—

Year.	Number of persons arrested.	Number of persons convicted.
1912-13	..	670
1925-26	..	1,549
1926-27	..	1,307
1927-28	..	1,355

The figures for the year 1925-26 were the highest on record. The number of persons arrested for illicit distillation of country spirit rose from 250 in 1912-13 to 1,399 in 1925-26, fell to 1,229 in 1926-27 and again rose to 1,310 in 1927-28. The corresponding figures for convictions were 180 in 1912-13, 721 in 1925-26, 577 in 1926-27 and 692 in 1927-28. Reports from the central districts where illicit distillation was rife indicated that the disbursement of liberal rewards and the employment of additional Excise officials had not been without their effect in the suppression of offences against the Excise law.

266. *Administrative Agency.*—There was a Commissioner of Excise for the Punjab from 1888 to 1910, who was graded with Deputy Commissioners of districts, and was also Superintendent of Stamps and Registrar-General of Births, Deaths, and Marriages. The functions of the Excise Commissioner were purely advisory, as he was not invested with the powers of a Commissioner of Revenue under the Excise Act, 1896, or with any power under the Opium Act, 1878, and rules thereunder. The post has been abolished from October, 1910, and most of the work taken over by one of the Financial Commissioners. The Excise administration of each district was in the special charge of an Assistant or Extra Assistant Commissioner, and the preventive establishment consisted of one or two Inspectors on pay ranging from Rs. 180 to Rs. 300, with one or more Sub-Inspectors on pay ranging from Rs. 80 to 150 and a few peons. An Inspector on similar pay was posted to each distillery, and had one or more Sub-Inspectors on the above rates of pay to assist him. There was also a Superintendent of Excise whose appointment has been, from the 1st September, 1916, converted into a Provincial Service post, and who in addition to his former duties of inspection of distilleries and breweries is required to inspect district Excise work. A whole-time Distillery Expert was appointed for the Punjab from December, 1920. The officer who formerly held this post was shared with the United Provinces. Since the 25th August, 1925 the posts of Distillery Superintendent and the Distillery Expert have been abolished and a member of the Provincial Civil Service is appointed as Excise Assistant to the Financial Commissioner, who performs the duties of both the posts abolished.

For the purpose of dealing with smuggling, illicit distillation and other offences against the Excise and Opium Laws, an Information Bureau has been established in the Financial Commissioner's Office. This is worked by an Excise Inspector on Rs. 300 a month under the control of the Excise Assistant.

To secure proper co-operation between the members of the Police and Excise Departments the Excise Staff in the Lyallpur and Multan districts of the Province was subordinated to Superintendents of Police in those districts in respect of the preventive measures and case work. Owing, however, to paucity of cases in these districts it was not possible to gain much experience of the utility of the system. Accordingly, with the concurrence of the Inspector-General of Police it was decided to give the experiment a further trial in the Ferozepore, Lahore and Amritsar districts, but the political situation coupled with the anti-liquor campaign made a real test of the system impossible. It was therefore abandoned.

The pay of Inspectors was raised to Rs. 125—10—22½ and Sub-Inspectors to Rs. 60—4—100 from the 1st October, 1919. A further revision of these scales was found necessary, owing to high prices, and from the 1st October, 1920, a time scale rate of pay has been introduced under which the pay of the Excise Inspectors and Sub-Inspectors is placed on the same footing as the pay of Tahsildars and Naib Tahsildars, namely, Rs. 180—7½—285 with five selection grade appointments of Rs. 300 each for Inspectors and Rs. 80—5—140 with 5 selection grade posts on Rs. 150 each for Sub-Inspectors. The horse allowance of Excise Inspectors and Sub-Inspectors was raised from Rs. 30 and Rs. 20 per mensem, respectively, to Rs. 40 and in the case of Simla to Rs. 50 per mensem.

267. *Incidence of Excise Revenue per head.*—The average total Excise revenue per head of the population in the Province during 1927-28 was Re. 0|9|5, as against Re. 0|9|2 in the preceding year, and Re. 0|5|2 in the year 1912-13.

CHAPTER IX.—CENTRAL PROVINCES AND BEHAR.

268. *Excise revenue.*—The total Excise receipts for 1927 in the Central Provinces and Behar amounted to Rs. 121.19 lakhs as shown below :—

Receipts (in lakhs of rupees).	Percentage of total Excise receipts.	Head.			
		Total			
		121.19	100.0		
1. Country spirit	49.6	60.05			
2. Tax	4.2	5.08			
3. Levy on locally manufactured malt-liquor	..	..	
4. Imported liquor	1.1	1.36			
5. Levy on rum imported from other provinces	0.9	1.07			
6. Opium	31.7	38.47			
7. Hemp drugs	12.0	14.62			
8. Miscellaneous	0.5	0.56			

[* Including cost price of opium and hemp drugs.]

The total Excise revenue and the receipts from country spirit in 1926 amounted to Rs. 142.07 lakhs and Rs. 75.15 lakhs, respectively, compared with Rs. 106.05 lakhs and Rs. 77.25 lakhs, respectively, in the year 1912-13. The total Excise revenue in 1927 thus exceeded by 14.3 per cent. that of the year 1912-13, and decreased by 14.7 per cent. below that of the year 1926. The revenue from country spirit represented 52.9 per cent. of the total Excise revenue in 1926 against 72.8 per cent. in 1912-13.

This Memorandum is concerned only with the first five items. The Excise year was the calendar year 1927.

269. *Law regulating liquor traffic.*—The liquor traffic was regulated by the Central Provinces Excise Act, II of 1915.

COUNTRY SPIRIT.

270. *System of management.*—Ever since the constitution of the Central Provinces in 1861 the problem of the Excise administration in respect of country spirit has been to adapt and combine systems in such a manner as to satisfy the various requirements of different localities. From 1861 to 1867, a Central Distillery system, copied from Oudh, was tried as an exclusive system, but proved quite unsuited to rural and jungle areas. Between 1867 to 1887, the Central Distillery system became more and more restricted to large towns and their immediate neighbourhood, contract stills and out-stills being employed in other areas. From 1881 to 1891 contract stills, which had failed to give satisfaction, were mostly replaced by out-stills. From 1891 to 1895 there was a reaction against out-stills, and another effort was made by means of the "Bonded Warehouse system" to supply rural areas with Central Distillery liquor. The attempt was not successful, and out-stills had again to be provided for rural areas.

In Berar, a Central Distillery system, modelled on the Bombay District Amraoti and Akola districts and in the Malkapur taluk of the Buldana district till the end of the year 1898-99, the remaining area being under out-stills. The Central Distillery system did not, however, work satisfactorily, and was from the 1st April 1899 superseded in the districts mentioned by a system based on the Contract Distillery system of Madras (described in Chapter I). The latter system was extended to the whole of Berar from the 1st April 1905, in accordance with the recommendations of the Central Provinces Excise Committee of 1904; and it was at the same time decided to improve the existing distillery system in the Central Provinces proper on the same model, and also gradually to bring the greater part of the out-still areas under this system.

In 1927 only two systems were in force in the Central Provinces, viz. :—

- (1) The Contract Supply system.
- (2) The Out-still system.

In 1912-13, there was also a third system (viz., the Sadar Distillery system) in force in the Central Provinces.

271. *Their distinctive features.*—The main features of these two systems may be said to lie in the different methods of taxation involved. Under the Out-still system the whole revenue is derived from license fees; and no attempt is made at direct taxation on consumption. Under the Contract Supply system license fees contribute only a portion of the revenue, the remainder being supplied by a tax on consumption, and this takes the usual form of a quantitative and qualitative duty levied directly on the liquor. Under the Sadar Distillery system the liquor itself was not directly taxed, but duty was levied on the raw material from which it was distilled.

272. *Description and extent of the Contract Supply system.*—In 1927, of the Central Provinces except parts of the Chanda, Mandla, Raipur and

Drug districts. In 1912-13 this system was in force in all the districts of Berar and in the districts of the Central Provinces except parts of Chanda, Seoni, Mandla, Chhindwara, Raipur, Bilaspur and Drug. Under this system the monopoly of the distillers is limited to the manufacture of liquor, and its sale to licensed vendors at fixed strengths and prices, the retail vendor paying the duty. The distillers obtain their contracts by tender or by selection, and are required to put down liquor at a uniform price at local bonded warehouses in their contract areas and to maintain adequate supplies. The contracts may be given either within or outside the province, and may extend to plain spirit manufactured from molasses by European processes, as well as to *mudum* spirit. The spirit is taken to the bonded warehouses, mostly at high strengths, and is there reduced. It is thence issued to the retail vendors at strengths of 45°, 60° and 65° under proof, the bulk of it at the 60° and 65° under proof strength. In 1912-13 the spirit was issued to the retail vendors at strengths of 60° and 25° under proof, and in some cases 45° under proof. The right of retail vend in sanctioned individual shops is disposed of by auction. The licensees have to obtain their supplies from the bonded warehouses. They pay the full price of their liquors, i.e., duty plus the contractor's charge into the Government treasuries, and have thus no direct money dealings with the distillers. In 1912-13 the Sadar Distillery system was in force only in the Sironecha taluk of the Chanda district. Later on it was replaced by the Contract Distillery system.

273. *Distillery arrangements.*—In 1927 there were 4 distilleries, viz., Akola, Seoni, Betul and Katni. They were located in Government buildings, with the exception of the last, which was in private premises. The contractors paid monthly rent for Government buildings. The distilleries were in charge of inspectors, whose salaries ranged from Rs. 100 to Rs. 200 a month. These officers were immediately subordinate to the Deputy Commissioner of the district and their work was subject to inspection by senior Excise and Revenue officers. The contractors provided their own plant and appliances for distillation.

274. *The Out-still system.*—The operation of the Out-still system was confined to the remote and sparsely populated jungle tracts of the Mandla, Raipur, Drug and Chanda districts. Suitable and necessary sites for shops having been settled, the shops were grouped in circles and for each circle one out-still was allowed. The right of working the still and of selling its output in the shops of the circle is auctioned every year by the Deputy Commissioner, the capacity of the still and the hours of its working being restricted. The out-stills, which were erected and maintained at the expense of the contractor, were under no regular supervision, but were inspected, from time to time, by officers of the Excise and Revenue Departments. No direct taxation according to strength or consumption of liquor was attempted. The necessity for realizing enough to pay the license fees tended to prevent the monopolist of a circle from selling liquor at excessively cheap prices. Removal of spirit from one out-still area into another was generally not permitted.

275. *Proportion of revenue realized under Distillery and Out-still systems.*—The following figures show the relative importance of the Dis-

CENTRAL PROVINCES.

tillery and Out-still systems as regards revenue, area, etc., in the Central Provinces and Berar :—

	Area in square miles.			Population in thousands.			Revenue in lakhs of rupees.			Percentage to total of					
										Area.			Population.		
										1912-13.	1926.	1927.	1912-13.	1926.	1927.
Eyetoms.	1912-13.	1926.	1927.	1912-13.	1926.	1927.	1912-13.	1926.	1927.	1912-13.	1926.	1927.	1912-13.	1926.	1927.
Sadar Dittillery	496	..	..	33	..	..	.08	..	..	5	..	..	2	..	..
Contract Dittillery Supply.	78,748	93,798	93,798	12,441	13,646	13,644	74.51	74.21	50.08	78.9	93.9	93.9	89.4	98.0	98.1
Out-still ..	20,580	6,077	6,077	1,442	266	268	2.66	0.04	0.97	20.6	6.1	6.1	10.4	2.0	1.9
Total ..	99,823	99,876	99,876	13,216	13,912	13,912	77.25	75.15	60.05	100.0	100.0	100.0	100.0	100.0	100.0

276. *Consumption and average taxation in distillery area.*—The total revenue derived therefrom was Rs. 35.72 lakhs from duty and Rs. 23.36 lakhs from vend fees. This gives an average taxation of Rs. 13-1-2 per proof gallon, of which Rs. 7-1-6 was derived from duty.

In 1926, the total issues of country spirit in distillery areas amounted to 469,398 pop. of gallons, compared with 1,201,346 proof gallons issued from distilleries in 1912-13. The total revenue derived therefrom amounted to Rs. 74.21 lakhs in 1926 (giving an average taxation of Rs. 15-12-8 per proof gallon) against Rs. 74.59 lakhs in the year 1912-13 (giving an average taxation of Rs. 6-3-1 per proof gallon). (See statements VI and VII.)

The average consumption of country spirit per 100 of the population during the year 1927 was 3.25 proof gallons against 3.38 proof gallons in the preceding year and 8.65 proof gallons in the year 1912-13. The consumption in the province as a whole in 1926 was 3.86 per cent. less than that of the preceding year, and 62.39 per cent. less than that in the year 1912-13. The fall in the consumption of country spirit in 1927 was chiefly in the cotton areas due to the continuance of agricultural and economic depression which reinforced the pressure exerted by the progressive enhancement of duty rates and restriction of facilities. The fall was almost universal in the urban areas, particularly the larger centres.

277. *Number of shops.*—The number of shops licensed for the retail sale of country spirit was 2,238 in 1927, against 2,294 in the preceding year and 3,759 in the year 1912-13. In 1927 the average number of shops per 100,000 of population was 16.09 against 16.49 in the preceding year and 27.01 in 1912-13. (See statement III.)

278. *Excise arrangements in Zamindaris and Feudatory States.*—The Excise privileges throughout the zamindaris were disposed of in the same manner as in the khalsa. No control was exercised over country liquor arrangements in the Feudatory States.

PART

279. The liquor made by simple fermentation from the sap of palm trees was subject to taxation. The consumption of this liquor was confined almost entirely to the Nagpur, Bhandara, Chanda, Wardha, Jabulpore, Chhindwara, Hoshangabad, Nimar and Raipur districts of the Central Provinces, and to the four districts of Berar. The Wardha district was the most important in this connection, and produced 32 per cent. of the *lari* revenue of the province in 1927. The right to manufacture and sell *lari* was sold by auction. The purchasers of the monopoly made their own arrangements with the owners of the *lari* trees, and were also permitted to tap trees on Government waste lands. With effect from the 1st October 1926 a general rate of Rs. 2 per tree has been sanctioned by the Local Government as royalty to be realized by the Forest Department from vendors for *lari* trees tapped in Government forest.

280. The tree-tax system was first introduced in the Wardha district and the Chandur taluq of the Amraoti district in 1916-17. In 1927 it was in force in the whole of the Nagpur, Chanda, Wardha and Akola districts and in the whole of the Amraoti district except the Melpat taluq and in

four taluqs of the Yeotmal district and in the Sausar taluq of the Chhindwara district.

The tax per tree was Rs. 5 in the Amraoti, Akola, Nagpur and Wardha districts and in the Warora taluq of the Chanda district and Rs. 3 in the four taluqs of the Yeotmal district, Rs. 2 in three taluqs of Chanda and Re. 1 in one taluq each of the Chhindwara and Chanda districts. The system proved a success everywhere. In 1927 the *lari* revenue was composed of Rs. 1,35,000 derived from the tree-tax, and Rs. 3,71,000 obtained in the form of license fees. In 1926 the receipts from the tree-tax amounted to Rs. 1,51 lakhs, and those from license fees to Rs. 3,81 lakhs. In 1912-13 the Government revenue from *lari* (Rs. 1,68 lakhs) consisted only of the license fees paid for the right of manufacture and vend.

281. *Consumption and number of shops.*—The total provincial consumption of *lari* during the year 1927 was estimated at 845,441 gallons, against 1,084,307 gallons in the preceding year and 1,548,291 gallons in 1912-13. The estimate is only approximate. The fall in consumption of *lari* in 1927 was due to unfavourable economic conditions. The total number of *lari* shops in 1927 was 381 against 406 in the year 1926 and 403 in the year 1912-13.

282. *Working of the tree-tax system and changes introduced.*—No change was made in the area in which the tree-tax system was in force during the year 1927. From the 1st October 1927 the rate of tree-tax was raised from Rs. 5 to Rs. 6 per tree in the Nagpur, Wardha, Amraoti and Akola districts and in the Warora taluq of the Chanda district and from Rs. 2 to Rs. 3 in the Chanda and Brahmapur taluqs.

FOREIGN LIQUORS.

283. *Classification and vend arrangements.*—The expression "foreign liquor" in the Central Provinces includes not only liquor imported by sea, but also spirit made in India and treated so as to resemble spirit so imported, and country-brewed beer or beer imported in a condensed form and afterwards converted into potable beer, and tonic wines and similar preparations, kinds of liquors under which imported liquor was sold in the Central Provinces, viz., an "off" license, a public house license, a hotel and refreshment room license, a dak bungalow license, an occasional license, a chemist's and druggist's license for the sale of rectified spirits, a license for the sale of tonic wines, a canteen tenant's license, a special license, and a license for the wholesale vend of Indian-made foreign liquor.

In 1912-13, the scale of fees for the "off" license and public house license for different localities was prescribed by the Commissioner of Excise, and the hotel and refreshment room license, rectified spirits license, tonic wines license and canteen tenant's license were granted on fixed fees of Rs. 50, Rs. 5, Rs. 15 and Rs. 24 per annum, respectively.

In the Central Provinces, with effect from the 1st January 1925, a system of assessment of license fees on each bottle imported for sale was introduced for foreign liquor licenses in form R. L. 1, R. L. 2 and R. L. 3.

The following scale of fees was fixed in the Central Provinces :—

Rate of license fees per quart bottle.	Kind of liquor.	Kind of license.	
		F. L. 1	F. L. 2 and F. L. 3
Rs. a. p.	Malt liquor (beer, ale, stout and porter) and cider.	Malt liquor (beer, ale, stout and porter) and cider.	Malt liquor (beer, ale, stout and porter) and cider.
		Foreign liquor other than malt liquor.	Foreign liquor other than malt liquor.
		0 2 0	0 3 0
		0 8 0	0 12 0
1926.		The rates of license fees per bottle remained the same.	
1927.			

The rate per pint was half of that for a quart.

Rectified spirits licenses, tonic wines licenses and canteen tenants' licenses were granted on fixed fees of Rs. 5, Rs. 1½ and Rs. 2½ per annum, respectively.

In Berar the right of vend under the "off" licenses was disposed of by unrestricted public auction. In the Central Provinces shops were assessed on the fee-per-bottle system.

European liquors pay a considerable customs duty at the sea-ports, and no attempt was made to tax them again heavily in the Central Provinces and Berar. The chief concern of the Administration with regard to them was to ensure that their sale was only entrusted to proper persons, and not unduly pushed. In 1927 there were 42 licenses covering retail sale, of which 8 permitted consumption on the premises. The total license fee collections in 1927 amounted to Rs. 1,35,000. In 1926 there were 43 licenses for the retail sale of foreign liquors, against 71 in 1912-13. The total license fees in 1926 amounted to Rs. 1,61,000 against Rs. 14,000 in 1912-13.

284. *Consumption.*—The consumption of imported foreign spirits in 1927 decreased from 9,166 proof gallons in 1926 to 8,577 and that of imported wines in 1927 decreased from 1,941 proof gallons in 1926 to 1,632 gallons. The consumption of imported beer in 1927 increased from 47,203 proof gallons in 1926 to 59,387 gallons. In 1912-13 the sales of foreign wines, spirits and beer under shop licenses amounted to 4,482, 26,623 and 22,789 gallons, respectively.

285. *Indian rum.*—The only foreign liquor of Indian manufacture that was imported in 1927 was rum from the Rosa distillery at Shahjahanpur.

in the United Provinces. Foreign liquor was also manufactured at the Akola distillery in this province.

Under the system introduced in 1923 the import of Indian-made foreign liquor into the Central Provinces and Berar was prohibited, except on bond or on prepayment of duty in the province. The total duty collected in 1927 amounted to Rs. 1,06,000 against Rs. 1,17,000 in 1926. In 1912-13, no duty was realized locally on such imports.

286. *Denatured spirits*.—Spirits rendered permanently unfit for human consumption by the admixture of caoutchoucine, or in special cases of wood-naphtha, have, from the year 1906, been excluded from the class "foreign liquor". Such spirits were imported into the Central Provinces and Berar from the Rosa distillery or from shops in Bombay and Calcutta, and allowed to be sold under separate licenses issued free of fee. Possession by uncensed persons was restricted to two gallons. The sale of such spirits amounted to 20,623 gallons in 1927, against 14,507 gallons in the preceding year and 1,779 gallons in the year 1912-13.

LOCALLY PRODUCED MALT LIQUOR.

287. A brewery was started at Jabulpore in 1896. The duty on issue was levied at the tariff rate for beer of 3 annas per gallon. The duty receipts in 1912-13 were Rs. 0.01 lakh. No beer was manufactured in Berar. This brewery was closed from the 1st April 1915. In 1927 no beer was manufactured in the Central Provinces and Berar.

288. *Temperance movements*.—There was little or no temperance activity during the year. But there was a social reform movement among the Gonds of Mandla district that affected Excise arrangements in the backward parts of that district, and in the adjoining tract of the Balaghat district. The motive behind the agitation appears to have been an aspiration for social and religious uplift on Hindu lines; but the unrest gained strength from an unpropitious turn of the monsoon. Gond customs and habits were proscribed, and abstinence from flesh, and from liquor was inculcated. The movement which lasted for most of the latter half of the year produced a substantial reduction of consumption. Typical of previous movements of the kind, however, it proved to be transitory and with the appearance of better prospects its influence evaporated.

289. *Important changes*.—The principal changes made in Excise Administration during the year were—

- (a) 45° U. P. liquor was issued only to a few shops in (i) the Saugor, Nimar, Bilaspur and Buldana districts bordering on Indian States, (ii) in the mining area of the Nagpur and Bhandara districts and (iii) in the jungle area of the Seoni district, and in Khamgaon town where its continuance was considered desirable on account of the prevalence of illicit distillation and smuggling of strong liquor.
- (b) The system of selling country spirit exclusively in sealed bottles for consumption off the premises was introduced in 16 towns shops. The total number of towns in which country spirit in sealed bottles was made available was 25.

294. Calculated on the census figures of 1921, the average total Excise revenue per head of the population in 1927 was about Re. 0-13-7 of which more than half was derived from liquor. In 1926 the average total Excise revenue per head of the population was about Re. 1-0-0 against about Re. 0-12-2 in 1912-13.

AVERAGE TOTAL EXCISE REVENUE.

293. Excise in the Central Provinces and Berar is in the charge of an Excise Commissioner, under whose supervision and advice district officers conduct the local administration. A Distillery Expert is in charge of the technical work of the department and a Superintendent of Excise Crime is in charge of preventive work. In each district there is a District Excise Officer who is assisted by an Inspector of Excise in important districts. For executive work the district is divided into circles with a Sub-Inspector in charge of each and one or two peons to aid him.

ADMINISTRATIVE AGENCY.

292. The rules as to location of shops were practically the same. It is laid down that "all such sites for the sale of liquor should be avoided as might likely be to obstruct unnecessarily the vend of spirits upon the notice of passer-by, and thus unduly stimulate the demand". Existing arrangements as to shops in one year are taken as the basis for the next year. The rules provide for changes at any time on account of legitimate objections which may be urged by the inhabitants of any town or village but such objections are few. Under the orders of Government, Excise Advisory Committees are constituted for the rural and urban areas of every district.

LOCATION OF SHOPS.

The fall in the number of prosecutions in 1927 below that of the preceding year occurred mainly under the head " illicit distillation ". The number of illicit distillation cases in 1927 was 1,405 against 1,931 in 1926. The number of cases relating to smuggling of liquor was 303 against 330 in 1926 and 151 in 1912-13.

The percentage of convictions to prosecutions was 83 in 1927 against 80 in 1926 and 80 in 1912-13.

291. *Of liquor and opium.*—The number of persons prosecuted for offences under the Opium and Opium Acts was 3,013 against 3,581 in 1926 and 507 in the year 1912-13. Of these the number of persons convicted was 2,501 in 1927 against 3,071 in the preceding year and 768 in the year 1912-13.

290. *Effect of prohibition on the revenue.*—In August 1921, a resolution passed by the Legislative Council. As a compromise Government agreed to accept prohibition of country liquor as the goal of their policy.

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288 and 289 above.

CHAPTER X.—ASSAM.

295. *Excise Revenue*.—The gross Excise revenue in 1927-28 amounted to Rs. 70.28 lakhs and was realised under the following main heads:—

Percentage of total Excise revenue.	Revenue in lakhs of rupees.	Heads.
30.45	21.04	(1) Country spirit
.04	0.03	2) Country fermented liquors (<i>lari</i> and <i>pachwai</i>) ..
.24	0.17	(3) Foreign liquors
54.44	38.26	(4) Opium and its preparations
14.59	10.25	(5) Hemp drugs
.24	.17	(6) Miscellaneous
100.00	70.28	Total

During the year 1926-27, the total Excise revenue and the revenue from country spirit amounted to Rs. 71.96 lakhs and Rs. 21.98 lakhs (representing 30.48 per cent. of the total Excise revenue), respectively, compared with Rs. 48.52 lakhs and Rs. 14.07 lakhs (representing 29.0 per cent. of the total Excise revenue) respectively in 1912-13.

This Memorandum is concerned only with the first three items.

296. *Law regulating liquor traffic*.—The liquor traffic in Assam, except in the Naga Hills, the Khasi and Jaintia Hills and the Lushai Hills, was regulated by the Eastern Bengal and Assam Excise Act, I of 1910, which was brought into force in the plains districts of the province with effect from the 1st April 1912, and in the North Cachar Hills Sub-division of the Cachar district, the Dibrugarh Frontier Tract in the Lakhimpur district, the Mikir Hills Tract in the Nowgong and Sibsagar districts and in the Garo Hills district, from the 1st January 1913.

COUNTRY SPIRIT.

297. *Definition of "Country spirit"*.—"Country spirit" is plain spirit manufactured by the European or Indian process of distillation from materials which are recognised as bases for the preparation thereof, such as the *mahua* flower (*Bassia latifolia*) and molasses manufactured from the juice of sugarcane or the date palm. In outstill areas there is added, for the purpose of stimulating fermentation, a small quantity of *bakhar*, a compound prepared from the roots of various plants.

A spirit called *phutka* is also sometimes illicitly distilled from *pachwa*.

298. *System under which country spirit revenue is realised*.—The manufacture and sale of country spirit were carried on under two systems, viz., the Contract Supply system and the Outstill system.

299. *Contract Supply System*.—The Contract Supply System, which is based on that prevailing in Madras, was in force in the Assam Valley division (except the North Lakhimpur Sub-division of the Lakhimpur district and the Hills portion of the Garo Hills district) and the districts of Cachar and Sylhet. This area was supplied with spirit from the distillery at Russin in Calcutta, which is worked by the contractors, Messrs. Haji Ismail Sait and Sons, who receive Rs. 2-4-0 per proof gallon as the cost price of this spirit issued to retailers. The issue strength throughout the contract area was 30° and 60° T. P. Each retail shop was sold separately by a system of tenders subject to a reserved price; and the contractors were prohibited from acquiring any interest in retail vend. The great majority of the shops were settled under the vend fee system. Retailers were forbidden to mix water or any other substance with the spirit, and were bound to sell it as received from the distillery and to use measures which were supplied to them on payment. The limit of retail sale of distillery liquor was three reputed quart bottles in most districts; in some areas one bottle was fixed experimentally as the limit. The provisions for the settlement of distillery shops were the same as those in the case of outstills described below. One hundred and eighty-two shops were licensed for the retail sale of distillery liquor, against 179 in 1926-27 and 179 in 1912-13. As a check on reckless bidding at auctions, and on excessive retail prices and illicit distillation resulting therefrom, maximum prices of 12 annas and Re. 1-5-0 per bottle of 60° and 30° T. P. spirit respectively were fixed in the contract areas. In 1912-13 the maximum prices fixed for this purpose were 8 annas and Re. 1-2-0 per bottle of 60° and 30° T. P. spirit respectively. The minimum retail prices of 30° and 60° T. P. liquor were Re. 1-1-0 and ten annas per bottle respectively against 12 annas and six annas per bottle respectively in 1912-13.

300. *Outstill system*.—The outstill system was in force in the remaining portions of the province. The total areas under the outstill system in the years 1926-27 and 1927-28 were the same, viz., 10,905 square miles, compared with 14,157 square miles in 1912-13. The right to work a still and sell country-spirit at a fixed place is put up annually to auction at a fixed upset price. But in order to guard against monopolies and to secure a respectable class of vendors the Deputy Commissioner may, for reasons to be recorded by him in writing, refuse to accept the highest or any bid. In the Khasi and Jaintia Hills license fees were imposed at the rate of Rs. 110 per still outside the Shillong 5 miles-radius, Rs. 130 in certain selected villages within the Shillong 5 miles-radius, Rs. 105 elsewhere in the Jowai Sub-division. There was no restriction in regard to the capacity of stills in the plains districts. In the Khasi and Jaintia Hills the size of stills was limited by executive order to allow of an output of 1½ bottles per distillation. The limit of retail sale of outstill liquor was three reputed quart bottles, except in the station of Shillong where the limit has been fixed at one reputed quart bottle. The minimum retail selling price of outstill liquor was fixed at 5 annas per reputed quart bottle, except in the Khasi and Jaintia Hills

where the minimum price was Re. 1. The licensed distillers in the Khasi and Jaintia Hills were authorised to sell liquor to the licensed retail vendors at Shillong at thirteen annas per quart bottle.

A large number of stills in the Shillong five miles-radius was concentrated at Imajew in the neighbourhood of Shillong and these stills were meant to work solely for the three licensed shops within the Shillong Municipality.

The fixing of a minimum price was mainly intended to limit, as far as possible, the temptation to intemperance, especially among garden coolies. No definite area to be supplied by any shop was fixed, but practically this was regulated by the location of other outstills. The general rule was that no two out-stills should be within five miles of each other.

301. *Contract system*.—As a substitute for the auction system the settlement, without auction, of licenses with tea-garden managers for the sale of country spirit to their coolies from canteens on their estates was tentatively introduced into the Sibasagar district when the out-still system was in force there and has been continued under the contract supply system. There was one such canteen at Dholi in Sibasagar, with four dependent canteens. The object of this system was that the employer of labour should himself control the supply of liquor to his coolies and be in a position to check drunkenness among them. In addition to the payment of the usual still-head duty, a surcharge of Re. 1-6-6 per gallon of spirit of the strength 60° T. P. was levied, as a vend fee, on all spirit sold in the canteens. The amount due was calculated at the end of each month and realised from the licensees.

302. *Distilleries*.—There were no distilleries in the province. The spirit required for the province was obtained from the Russa distillery at Calcutta. In 1912-13 there was one distillery in the Province, namely, the contract distillery at Jorhat in the Sibasagar district but it was closed in 1918.

303. *Excise warehouses*.—To prevent inconvenience to retail vendors, Excise warehouses were opened at suitable centres. Each warehouse was in the charge of a non-gazetted officer who was styled Inspector of Excise. To these warehouses liquor was sent under suitable arrangements from the distillery, duty being levied at the time of issue from the warehouses.

304. *Rate of still-head duty*.—In 1926-27 and 1927-28 the rate of still-head duty in the contract supply area was Rs. 5 per L. P. gallon. In 1912-13 it was Rs. 3-2-0.

305. *Consumption*.—The issues of distillery spirit during 1927-28 amounted to 255,160 proof gallons, compared with 262,115 proof gallons in the previous year and 247,363 proof gallons in 1912-13. The average consumption of country spirit per 100 of population in 1927-28 was 3.27 proof gallons, against 3.36 proof gallons in 1926-27 and 3.65 proof gallons in 1912-13. These figures, so far as population is concerned are based on the last census figures, and the figures of consumption per 100 of the population cannot be regarded as accurate now, particularly as the population of Assam is rapidly increasing owing to immigration.

The average consumption of country spirit in 1927-28 thus decreased by 2.63 per cent. below the figures of 1926-27. The fall in consumption

was mainly due to the excessive use of *laopani* or *pachwai* and illicit distillation of country spirit in outlying areas and in the newly opened parts of the province where there were no facilities for the purchase of excise liquor. The poor crops of 1925 and 1926 and the depression in the timber trade and poor output and lower price of jute also affected the consumption adversely in certain districts. The taxation levied on country spirit in 1927-28 was Rs. 12.76 lakhs from duty and Rs. 7.80 lakhs from vend fees. The average taxation per proof gallon was therefore Rs. 8.06 of which Rs. 5.00 was derived from duty.

The total receipts from country spirit in distillery areas in 1926-27 amounted to Rs. 21.04 lakhs against Rs. 13.81 lakhs in 1912-13. The average total taxation per proof gallon in 1926-27 was Rs. 8.0-1 (Rs. 4-15-4 from duty) against Rs. 5-9-4 (Rs. 3-2-1 from duty) in 1912-13. The receipts in out-still areas in 1927-28 amounted to Rs. 0.83 lakh, against Rs. 0.89 lakh in 1926-27 and Rs. 0.26 lakh in 1912-13.

COUNTRY FERMENTED LIQUOR.

306. *Tari*.—*Tari* is the sap of the palm and used when freshly drawn from the tree.

The palmyra and date are the palm chiefly used for its production. 307. Unfermented *tari* was exempt from the provisions of the Excise Act. Licenses to sell fermented *tari* were granted under the auction system and the limit of retail sale was four seers. The receipts from license fees amounted to Rs. 2,605 against Rs. 2,180 in the preceding year and Rs. 105 in 1912-13.

308. *Pachwai*.—*Pachwai* otherwise called *laopani* or *Zu* is a fermented liquor brewed generally from rice or millet. No license was issued in 1927-28 for the manufacture and retail sale of this liquor. Home-brewing for domestic consumption of *pachwai* which was universally consumed by the hill tribes and aboriginal inhabitants of the plains, was untaxed. The limit of possession was 4 seers in the plains districts and 12 seers in the hills, as in the year 1912-13.

FOREIGN LIQUORS.

309. *Supply and duty*.—There was no local manufacture of liquors of this description in the province. Rum manufactured in other provinces (namely, Bengal, Central Provinces and the United Provinces) when imported in bond paid duty at the tariff rate. Rum required for political purposes was obtained duty-free while the canteens of the Assam Rifles got their supplies at concession rates. The duty on liquors imported by sea was credited to Customs revenue at the port of entry.

310. *Vend arrangements*.—Licenses are of two kinds—wholesale and retail. Wholesale licenses, which cover the sale of more than 2 gallons or 12 reputed quart bottles were issued on payment of fixed annual fees. Retail licenses were settled on the fixed fee system except in the Garo Hills district where the only license was settled by auction.

Besides the wholesale and retail licenses, there were special licenses for the sale of foreign liquors in railway refreshment-rooms, and dining

cars on board steamers and dak bungalows. For these fixed fees were charged, except in the case of dak bungalow licenses which were settled with *khumans* free of charge.

The total number of licenses (of all sorts) for the retail sale of potable foreign liquors in 1927-28 was 113 as in 1926-27 and 101 in 1912-13.

311. *Consumption*.—The total figures for consumption of potable foreign liquors in the province were 38,330 gross gallons, against 34,448 gross gallons in 1926-27 and 41,724 gross gallons in 1912-13. These figures do not however include imports by private individuals for their own use.

312. *Medicated wines*.—The number of licenses for the sale of medicated wines was 35, against 43 in 1926-27 and 6 in 1912-13. In 1927-28, 190 gallons were sold, against 179 gallons in 1926-27.

313. *Denatured spirit*.—115 Licenses, against 91 in 1926-27 and 26 in 1912-13 were issued for the sale of denatured spirit and for the possession of such spirit in excess of the legal limit. 5,356 gallons were sold against 4,540 in 1926-27 and 976 gallons in 1912-13. There was no evidence that denatured spirit was used as an intoxicant in the province.

LOCATION OF SHOPS.

314. Sites were selected in consultation with the magisterial and other local authorities, changes being made in deference to their views and to the opinion of respectable residents. No liquor shop could be opened in a bazar or in close proximity to places of public resort, such as schools, hospitals, places of worship and the like. Municipalities and Local Boards were consulted regarding the number and location of Excise shops of all description within Municipal and Local Boards were also used as the media through which districts Collectors consulted the public on matters of general and local importance in connection with Excise administration. It was also open to those Boards to address the District Collectors on their own initiative about such matters. Questions concerning the method of trading, hours of sale and abuses and irregularities came under their consideration. These Boards which were virtually advisory committees were consulted whenever occasion arose.

ADMINISTRATIVE AGENCY.

315. The Excise Department in Assam which, since the abolition of the post of Excise Commissioner was supervised by the Commissioners of Divisions within their respective divisions, has now been placed under the charge of an Excise Commissioner, the post having been restored in May 1928. Since the 1st April 1918 the Excise staff has been reorganised and an Excise service has been formed with eight Superintendents of Excise for the plains districts of the Province. In addition to these officers a special Superintendent of Excise has now been appointed, his special duty being to check the smuggling of opium throughout the province. The duty of district Superintendents was to inspect Excise and Opium shops and to assist Deputy Commissioners of districts in matters connected with Excise under the Superintendents. There were 29 Inspectors of Excise employed on inspection and nine in charge of the nine warehouses in the Province.

There were six extra or reserve officers to fill leave vacancies. There were also 4 special inspectors working under the Special Superintendent.

Below these again there were one temporary inspector and 8 temporary Sub-inspectors and a number of patrol parties who formed part of the Excise staff but were employed almost exclusively on the prevention of opium smuggling. The total superior staff therefore consisted of 9 Superintendents, 42 Inspectors, 6 Extra (Officers, one temporary Inspector and 8 temporary Sub-Inspectors, against 6 Superintendents, 28 Inspectors and 4 Extra Officers in 1926-27.

The pay of Superintendents of Excise ranged from Rs. 250 to Rs. 850 and that of Inspectors from Rs. 100 to Rs. 250 per mensem. The pay of the extra officers was fixed at Rs. 75—5—100 per mensem. The Special Superintendents of Excise and the Special Inspectors were allowed to draw special pay at Rs. 100 and Rs. 50 respectively in addition to their grade pay. Temporary Sub-Inspectors were paid at Rs. 75 per mensem each.

316. *Important administrative changes*.—The important changes introduced during the year were the following :—

- (1) It was decided that the Commissionship of Excise which was abolished in June 1922 should be revived in the coming year.
- (2) The existing Excise arrangements with the Hill Tribes Jharbar were extended for a further period of three years.
- (3) An Excise Advisory Committee was constituted to advise Government on important matters relating to Excise administration.
- (4) At the last annual settlement of Excise shops the experiment was made of settlement by lot : about 10 per cent. of the shops were also reserved for persons belonging to the educated classes.

317. *Offences and convictions*.—During the year under report 728 persons were arrested under the Excise and Opium Laws, against 579 in the preceding year and 391 in the year 1912-13. Convictions were obtained against 625 or 85.3 per cent. of the persons arrested in 1927-28, compared with 500 or 86.3 per cent. of the persons arrested in 1926-27, and 343 or 89.2 per cent. of the persons arrested in 1912-13. Cases of unlicensed manufacture and sale of country spirit during the year were 263, against 217 in 1926-27 and 62 in 1912-13. Cases of illegal possession of country spirit in 1912-13, 1926-27 and 1927-28 were 50, 25 and 41 respectively. Cases of illegal manufacture and possession of *pachwai* were 25 in 1927-28 against 15 in the preceding year and 42 in 1912-13. The total number of offences relating to intoxicating liquor in 1927-28 was 341, compared with 287 in 1926-27 and 233 in 1912-13.

318. *Incidence of Excise revenue per head*.—Calculated on the population according to the census figures of 1921, the average total Excise revenue in Assam was Rs. 0-14-11 per head in 1927-28 of which 30.45 per cent. was derived from liquor. The average total Excise revenue per head in 1926-27 was Rs. 0-15-4 of which 30.48 per cent. was derived from liquor, against Rs. 0-11-9 in 1912-13 of which over one-third was derived from liquor.

CHAPTER XI.—NORTH WEST FRONTIER PROVINCE.

319. *Excise Revenue*.—Including the duty on spirits imported into the North West Frontier Province from the distilleries in the Punjab and the United Provinces (Rs. 5.05 lakhs) which is credited in the financial accounts to the provinces of export, the Excise revenue of the North West Frontier Province for the year 1927-28 was realised under the following heads :—

Percentage of total Excise revenue.	Receipts in lakhs of rupees.	Heads.			
		Total			
41.09	4.15	..	..	..	(1) Country Spirit
31.09	3.14	..	..	..	(2) Imported liquors
21.48	2.17	..	..	..	(3) Opium and its Preparations
6.34	0.64	..	..	..	(4) Hemp Drugs

In 1926-27 the total Excise revenue of the North West Frontier Province (including Rs. 5.66 lakhs as duty realised from spirits imported from the Punjab and the United Provinces) amounted to Rs. 10.61 lakhs. against Rs. 5.23 lakhs (including Rs. 1.19 lakhs as duty on spirits imported from the Punjab) in 1912-13. The revenue from country spirit in 1926-27 amounted to Rs. 4.25 lakhs; against Rs. 2.23 lakhs in 1912-13. and the percentage which this revenue bore to the total Excise revenue was 40.05 in 1926-27 and 42.6 in 1912-13.

This Memorandum is concerned only with the first two items above.

320. *Law regulating liquor traffic*.—The liquor traffic in the North West Frontier Province was regulated by the Punjab Excise Act (I of 1914) as extended to the North West Frontier Province by (Chief Commissioner's Notification No. 120-Exc., dated the 8th/9th February 1915.

COUNTRY SPIRIT.

321. *Definition of "Country Spirit"*.—As in the Punjab, the term "country spirit" denotes potable spirit distilled in India from *gurr*, molasses or *mahul*, whether plain or special (i.e., spiced, flavoured or coloured with or without caramel to suit a special Indian taste) provided

that it is not described by the name of any imported spirit and does not resemble such spirit or give rise to the impression that it is similar in character to such spirit. The receipts from this source amounted, as stated above, to Rs. 4.15 lakhs in 1927-28, of which Rs. 2.14 lakhs were realised from duty and Rs. 1.71 lakhs from vend license fees, the whole of the receipts from duty being credited to the Punjab. In 1926-27 the revenue from vend license fees amounted to Rs. 1.75 lakhs, compared with Rs. 1.04 lakhs in 1912-13.

322. *Distillery system and sources of supply.*—There were no distilleries in the Province. The distilleries in the Punjab supplied the requirements of the North West Frontier Province, with the exception of small imports of Indian-made foreign spirits from the Kosa distillery in the United Provinces. Only 100 gallons of country spirit proper were imported from the United Provinces during the year, and the sum of Rs. 56,682 paid as still-head duty in that province was mostly on account of coloured rum imported by military officers for the use of troops. In 1926-27, a sum of Rs. 183,061 was paid in the United Provinces on account of coloured rum imported by military officers. In 1912-13 only 71 gallons of methylated spirit were imported from the Kosa distillery in the United Provinces.

There were no outstill areas in the Province.

323. *Rate of still-head duty.*—The rate of still-head duty payable on country spirit imported from the Punjab or the United Provinces in each of the years 1926-27 and 1927-28 was Rs. 12.5 and Rs. 10 per proof gallon. All other spirits so imported paid duty at the tariff rate of Rs. 17.5 per proof gallon. In 1912-13, the rate of still-head duty payable on country spirit from the Punjab or the United Provinces was Rs. 5 per proof gallon while all other spirits so imported paid duty at the tariff rate of Rs. 9.37 per proof gallon.

324. *Wholesale vend.*—Wholesale licenses for the vend of country spirit to the public were issued at a fixed fee of Rs. 50 per annum for each license. The wholesale licensee could obtain his supply of spirit from the distilleries in the Punjab or in the United Provinces, or from a wholesale vend depot established in the former Province and could sell to wholesale and retail vendors in quantities of not less than two Imperial gallons at a time. Wholesale licenses were, however, not much sought after, because the retail vendors preferred to obtain their supplies direct from the distillery without the intervention of the wholesale licensee. In 1927-28 there were two licenses issued for the wholesale vend of country spirit, against 4 licenses in the preceding year and 5 licenses in the year 1912-13.

325. *Retail vend.*—Shops for retail vend were established according to the requirements of each district, new shops being opened and old ones closed as circumstances required from time to time. Before the commencement of each official year, the licenses for retail vend during the coming year were, as a rule, put up to auction separately, but the shops of the whole district or of any specified area within the district were leased together, if this course appeared desirable. Monopolies of retail vend were, however, avoided as far as possible. Leases for a period

in excess of one year were not granted. The number of retail shops for the vend of country spirit in each of the years 1926-27 and 1927-28 was 26 against 37 in 1912-13.

326. *Consumption and average taxation*.—The quantity of country spirit sold in the North West Frontier Province in 1927-28 was 21,144 proof gallons against 19,936 proof gallons in the preceding year and 24,296 proof gallons in the year 1912-13. The average consumption of country spirit per hundred of the population in 1912-13, 1926-27 and 1927-28 was 1.11, 0.90 and 0.94 proof gallons, respectively. The average taxation per proof gallon from vend fees only in 1927-28 was Rs. 8.06, against Rs. 8.91 in the preceding year and Rs. 4.29 in 1912-13. Adding to this the duty of Rs. 12.50 in 1926-27, of Rs. 10 in 1927-28, and of Rs. 5 in 1912-13 per proof gallon, the total taxation per proof gallon amounted to Rs. 18.60 in 1927-28 against Rs. 21.41 in 1926-27 and Rs. 9.29 in 1912-13.

OTHER LIQUORS.

327. *Indian fermented liquors*.—No Indian fermented liquors were consumed in the Province.

328. *Imported Liquors*.—In the North West Frontier Province, as elsewhere, the Excise revenue derived from foreign liquors consists only of the license fees paid for the right of sale, the import duty on imported liquors being levied under the Indian Tariff Act and credited to Customs revenue. Still-head duty on Indian-made foreign liquors including beer excised at tariff rates was realised in the Province of production. A sum of Rs. 2.62 lakhs was recovered in the Punjab and the United Provinces on this account from the imports made into the North West Frontier Province, against Rs. 3.19 lakhs realised in the year 1926-27. The receipts from fees for licenses to sell imported liquors by wholesale or retail in 1927-28 amounted to Rs. 56,663 against Rs. 56,488 in the preceding year and Rs. 45,000 in 1912-13.

329. *Vend arrangements and consumption*.—The vend arrangements were similar to those of the Punjab. Sales of foreign liquor (imported) were as under:—

	1916-17.	1926-27.	1927-28.
Vines (in Imperial gallons)	2,351	5,072	5,291
Malt Liquors (in Imperial gallons)	4,841	57,655	74,413
Spirits (in Imperial gallons)	10,219	18,765	17,432

330. *Indian beer*.—There was no brewery in the Province but malt liquor was imported from the Aluree Brewery in the Punjab on payment of duty at the place of production. 233,729 gallons of this liquor were sold during 1927-28 in the Province. In 1926-27, 224,034 gallons of this liquor were sold, compared with 59,928 gallons in 1912-13.

331. *Mixed wines*.—Alleged wines containing alcohol in quantities exceeding 10 per cent, but not exceeding 21 per cent, by weight (equivalent to 42 per cent. of proof spirit) were sold under a license granted by the Collector, on payment of a fee of Rs. 50 per annum. (One such license was issued during 1927-28 in the Peshawar district. In 1912-13 only one license was issued.

LOCATION OF LIQUOR SHOPS.

332. The number and sites of all licensed liquor shops are fixed annually by the Collector, but in practice few alterations either of number or site are made from year to year. In 1927-28, there were no local advisory committees in any district, but their place was taken by municipal committees and district boards. Before opening a new shop, notice was given to the residents of the locality, in case they wished to show cause against the shop being opened.

333. *Important changes or legislation relating to liquors*.—The accounts were adjusted by book transfer as in last year, and no change occurred during the year under report.

334. *Offences and Convictions*.—The total number of persons prosecuted for offences in respect of intoxicating liquors in 1927-28 was 49 against 22 in the previous year and 13 in 1912-13. The number of convictions was 33 in 1927-28, 16 in 1926-27 and 12 in 1912-13. The number of persons convicted for drunkenness in the municipal areas in the North West Frontier Province in 1927-28 was 18 against 16 in the preceding year and 96 in the year 1912-13. In 1927-28 out of the 40 cases tried for offences relating to intoxicating liquors, 28 related to illicit possession, sale or adulteration of country spirit.

ADMINISTRATIVE AGENCY.

335. The Province possessed no separate Excise Commissioner, this office being merged in that of the Revenue Commissioner. The Excise Administration of each district was in charge of an Assistant or Extra Assistant Commissioner, who, however, was not a whole-time officer. The preventive establishment consisted of an Excise Inspector and Excise Sub-Inspector and a few *chuprasis* in each district. There was also an Excise Bureau opened in May 1913, to collect and collate information relating to the smuggling of excisable articles, and especially of Afghan opium. The Bureau forms a branch of the Revenue Commissioner's office. There is no Excise Sub-Inspector, without an Inspector, while the Sub-Inspector, Kohat, was entrusted with Customs and Tini Collections work and there were also two travelling Sub-Inspectors to check the smuggling of opium and *churras* across the borders.

office and is in the charge of an Inspector of Excise under the supervision of the Excise Superintendent.

INCIDENCE OF EXCISE REVENUE PER HEAD.

336. Calculated on the census figures of 1921 and the revenue figures given in paragraph 319 above, the average total Excise revenue realised in the Province in 1927-28 was 7 annas per head of population, of which about 72.18 per cent. was derived from the manufacture or licensed vend of liquors. In 1926-27, the average total Excise revenue per head of population was 3 annas and 8 pies (of which 75.4 per cent. was derived from liquors) against 3 annas and 8 pies (of which about 50 per cent. was derived from liquors) in 1912-13.

CHAPTER XII.—DELHI.

337. *Excise revenue.*—The Excise revenue of the Delhi province excluding the still-head duty amounting to Rs. 4.62 lakhs (5.68 minus 1.06 refunded to the Punjab) recovered by book transfer from other provinces on spirit imported into Delhi for the year 1927-28 was realised under the following main heads :—

Percentage of total Excise revenue.	Receipts (in lakhs of rupees).	Heads.				
		(1) Spirit made in British India	(2) Imported spirit including country beer	(3) Opium and its preparations	(4) Hemp drugs	(5) Fines and miscellaneous
26.4	1.15	..	..	..	..	..
12.9	0.56	..	..	..	..	..
40.9	1.78	..	..	..	..	..
19.8	0.86	..	..	..	..	..
Nominal.	Nominal.	..	..	..	..	..
100.0	4.35	Total	..	..	..	..
..	4.63	Still-head duty realised from the Punjab and the United Provinces				

The figures of the total Excise revenue (excluding duty realised in other provinces) for the Delhi Province for the year 1927-28 compared with those of 1912-13 and 1926-27 may be summarised as below :—

	1912-13.	1926-27.	1927-28.
(1) Spirit made in India	1.53	1.50	1.15
(2) Imported spirit including country beer ..	0.22	0.60	0.56
(3) Opium and its preparations	0.72	1.82	1.78
(4) Hemp drugs	0.68	0.99	0.86
(5) Fines and miscellaneous .. ..	..	..	..
Total ..	3.15	4.92	4.35

This Memorandum is concerned only with the first two items above.

338. *Law regulating liquor traffic.*—The liquor traffic in the Delhi province was regulated by the Punjab Excise Act, I of 1914, as applied to the Delhi province, and by rules framed thereunder:

COUNTRY SPIRITS.

339. *System and source of supply.*—There being no distillery in the Delhi province, all spirits consumed were imported from the Punjab and the United Provinces on payment of duty in those provinces. The country spirit revenue of the Delhi province represents therefore receipts from license fees and still-head duty realized from the exporting provinces by book transfer credit.

The percentage of revenue derived from country spirit to the total Excise revenue of the Province thus comes to 51.3 per cent. of the whole.

340. *Wholesale vend.*—The wholesale licenses for sale of country spirit to the trade were issued at a fixed fee of Rs. 50, alike in 1926-27 and 1927-28. The wholesale licensee could obtain his supply of spirit from any distillery or from a wholesale vend depot situated within the Punjab or from the Rosa distillery or other distilleries in the United Provinces with the special permission of the Chief Commissioner: or from another wholesale vendor in the Delhi province, and could, if he so wished, sell to wholesale and retail vendors in quantities larger than one seer at a time. The number of wholesale licenses for vend of country spirit during the year 1912-13 was 5, as against 2 and 3 issued during the years 1926-27 and 1927-28 respectively.

The number of shops for retail vend of country spirit during the year 1912-13 was 15, which fell to 10 in 1926-27. In the year 1927-28 the number was however increased by one to counteract illicit sales of country spirit. The system of auctioning retail licenses, which, as a result of the introduction of the sealed-bottle system, was held in abeyance in favour of the sealed-tender system during the years 1922-23 and 1923-24, has been revived from the year 1924-25. Monopolies for retail vend were avoided as far as possible. Leases for a period in excess of one year could not be granted except with the sanction of the Chief Commissioner. The total consumption of country liquor, both plain and spiced, during the years 1912-13, 1926-27 and 1927-28 may be indicated as below:—

(Proof gallons.)								
1. Plain	2. Spiced	Total			
						1912-13.	1926-27.	1927-28.
..	28,821	3,684	32,505			
..	12,125	6,374	18,499			
..	13,523	16,515	30,038			

211. Consumption and average taxation.—The average consumption of country liquor per 100 of population during the years 1912-13, 1926-27 and 1927-28 was 2.87, 3.77 and 6.13 proof gallons, respectively. The decrease in consumption against the year 1912-13 is attributable to a rise in price of country liquor. The increase in comparison with the figures for 1926-27 is due to a reduced sale price following a reduction in the rate of duty from Rs. 12.80 to Rs. 10 per L. P. gallon. The incidence of duty and vend fees respectively on country spirit during the years 1912-13, 1926-27 and 1927-28 per proof gallon was as follows:—

	From duty.			From vend fees.			Total.
	1912-13.	1926-27.	1927-28.	1912-13.	1926-27.	1927-28.	
5	12-20	10-0	3-95	8-09	3-81	8-95	20-59
							13-81

342. Import of spirit from other provinces and duty realised thereon.—During the year 34,300.4 gallons of country spirit were imported from the Punjab into the province and the duty realised in the province of export amounted to Rs. 3.43 lakhs. 2,665 gallons of Indian-made foreign spirit were also imported from the Punjab into the province and the duty realised in the province of export was Rs. 0.46 lakh. 115,700 bulk gallons of beer were also imported from the Punjab into Delhi and the duty thereon came to Rs. 0.57 lakh. 132.8 proof gallons of Indian-made foreign spirit including 15.2 gallons of rum supplied to troops at a reduced rate of duty, were imported from the United Provinces and the duty thereon amounted to Rs. 2,838. 8.3 gallons of rectified spirit were also imported with a duty of Rs. 181-9-0 thereon. In the preceding year 21,981 gallons of country spirit from the Punjab and 3,698.1 gallons of Indian-made foreign spirit from both the Punjab and United Provinces were imported into the Delhi Province. The total still-head duty realized thereon amounted to Rs. 8.36 lakhs. During the year 1912-13 all imports of country spirit and of Indian-made foreign spirit were made from the Punjab only.

NATIVE FERMENTED LIQUOR.

343. Native Fermented Liquor was neither made nor sold in the province.

FOREIGN LIQUOR.

344. Wholesale vend.—The Excise revenue derived in the province from foreign liquor consists of license fees and still-head duty on Indian-made foreign liquors imported from the Punjab and United Provinces.

A license for the wholesale or retail vend of foreign liquors to the licensee carried with it the right to sell beer, medicated wines and all spirit coloured and sophisticated, whether imported or made in the country. The number of such licenses issued during the years 1926-27 and 1927-28 was 8 and 8 as against 5 in 1912-13.

345. *Retail vend.*—Licenses for the retail vend of foreign liquor whether imported or manufactured in India were granted on payment of fixed fees. The auction system was usually followed for bazar licenses.

The following table shows the number of licenses of each kind issued during the years 1912-13, 1926-27 and 1927-28 :—

	1912-13.	1926-27.	1927-28.
1. First class shops of approved respectable- ity for (Off) consumption	5	13	13
2. Shops in bazar	2	2	2
3. Hotels	7	12	13
Restaurants	3	8	9
Railway Refreshment rooms	1	2	1
4. Theatre bars, etc.	9	30	34
5. Dak bungalow	1	1	1
5. Military canteen	..	4	5

346. *Sales and consumption of liquor.*—The quantities of foreign wines, spirit and beer sold wholesale and retail during the years 1912-13, 1926-27 and 1927-28 were as under :—

	1912-13.	1926-27.	1927-28.	Wholesale vend.			Retail vend.		
				1912-13.	1926-27.	1927-28.	1912-13.	1926-27.	1927-28.
1. Wines	842	6,147	5,848	6,616	1,097	3,883	54,608	53,408	13,612
2. Spirit	2,951	16,708	20,153	6,760	11,864	13,612	53,408	53,408	13,612
3. Beer	31,463	157,964	169,993	6,760	11,864	13,612	53,408	53,408	13,612

The increase in the wholesale and retail vend of foreign liquors (spirits and wines) as compared with 1912-13 was due to the steady rise in numbers of the higher classes of the population owing to the transfer of the seat of Government to Delhi, while the enormous increase in the case of beer was accounted for by the large consumption of beer by troops under canteen licenses. The variations in the figures for 1926-27 and 1927-28 are explained below :

The decrease and increase in the sales of wines and spirits wholesale were due to larger imports of the former and smaller imports of the latter direct from abroad by certain private clubs and messes. The increase in the case of beer was on account of a greater supply of beer to clubs and messes by a local licensee who had obtained a sub-agency for the supply of beer. The rise and fall in the sale of spirits and wines by retail was due to the displacement of the latter by the former.

347. *Receipts*.—The receipts from fees for licenses to sell foreign liquor both wholesale and retail, in 1912-13, 1926-27 and 1927-28 amounted to Rs. 19,691, 50,000 and 52,000, respectively. The increase in the fees as compared with 1912-13 was due to the heavy rise in consumption.

348. *Medicated wines*.—No license was required for the sale of medicated wines containing less than 10 per cent. of alcohol by weight (equivalent to 20 per cent. of proof spirit). But medicated wines containing over 20 per cent. of alcohol by weight could only be sold under a license on payment of Rs. 50 per annum as license fee. There was no license for vend of medicated wines during the year 1912-13 while there were six and five such licenses during each of the years 1926-27 and 1927-28 and the quantities sold were 36 and 42.0 gallons, respectively.

349. *Methylated spirits*.—Licenses for the possession and sale of methylated spirit were issued free. The Collector could grant licenses for possession up to 500 gallons, while licenses for larger quantities required the sanction of the Chief Commissioner. The number of licenses issued during the years 1912-13, 1926-27 and 1927-28 were 6, 47 and 45, respectively.

350. *Rectified spirits*.—Licenses for the sale of rectified spirit were granted by the Collector to the holders of licenses for the wholesale and retail vend of foreign liquor and methylated spirit and to Chemists and Druggists of approved respectability at an annual fee of Rs. 25. These licenses authorized the possession of rectified spirit in quantities not exceeding 10 gallons, while the possession of larger quantities was subject to the Chief Commissioner's sanction.

Licenses for the possession of rectified spirit for use in the manufacture of drugs, medicines and tinctures were also granted by the collector to recognised medical practitioners and no fee was charged. The number of licenses for vend of rectified spirit during the years 1926-27 and 1927-28 was 8 and 5 respectively, as against 2 in 1912-13. From the year 1924-25 a new license for the possession of rectified spirit at reduced rate of Rs. 5 duty for the manufacture of tinctures, drugs and chemicals was issued to the Delhi Aerated Water and Chemists Company, Delhi (now Modern Chemical Works, Delhi) which is a new concern of its kind in Delhi, and affords facilities to medical practitioners, charitable hospitals and dispensaries.

351. *Excise offences*.—The number of persons arrested and convicted under the Excise and Opium Acts during the years 1926-27 and 1927-28 was 129 and 87, 124 and 84 respectively, while the number of persons arrested and convicted under those Acts during the year 1912-13 was 124 and 95 respectively. The variations in the figures are small and do not require any explanation.

Eleven cases of illicit possession and one case of illicit distillation of country spirit were discovered during the year under report as against 8 and 2 cases respectively in 1926-27 and 2 and 2 cases respectively in 1912-13. The extent to which illicit distillation exists in the Delhi province is small as compared with that in the Punjab generally.

352. *Administrative Agency*.—The Chief Commissioner exercised the powers of the Head of the Excise Administration in Delhi. The Executive Excise Administration in Delhi was usually in the special charge of an Extra Assistant Commissioner, working under the control of the Collector and the preventive establishment consisting of one Inspector and 3 Sub-Inspectors worked under the supervision of the Superintendent of Police, Criminal Investigation Department.

353. *Average total Excise revenue*.—Calculated on the census returns of 1911 and 1921 the average Excise revenue (exclusive of still-head duty) of the Delhi province for the years 1912-13, 1926-27 and 1927-28 works out to twelve annas and two pies, one rupee and one pie and fourteen annas and three pies per head, respectively.

354. *Excise Advisory Committee*.—A meeting of the Excise Advisory Committee is usually held once a year to consider the number and location of liquor shops in Delhi. The suggestions made by the Committee were given due consideration and the restriction imposed on the sale of liquor in the Punjab, Hindu, and Corporation Hotels was maintained. The reduction in the number of country spirit shops was not pressed this year, since figures and facts proved the insufficiency of the existing number of licences to meet the demands of the increasing population in New Delhi. The Advisory Committee consisted of certain representatives of the Delhi Municipal Committee, and the local Government was always prepared to give due consideration to any carefully weighed scheme for promoting the cause of temperance in Delhi by a gradual restriction of the number of liquor shops, or of the terms of sale, or otherwise.

CHAPTER XIII.—AJMER-MERWARA.

355. *Excise revenue.*—The Excise receipts for 1927-28 amounted to Rs. 7.08 lakhs made up as follows:—

Percentage of total Excise revenue.	Receipts (in lakhs of rupees).	Heads.		
		1. Country spirit	2. Toddy	3. European liquors
82.77	5.86	..	..	..
0.14	0.01	..	..	..
0.28	0.02	..	..	..
7.49	0.53	..	..	..
9.32	0.66	..	..	..
..	..	6. Miscellaneous (including fines and forfeitures)	..	..
100.0	7.08	Total		

The total Excise revenue in 1926-27 amounted to Rs. 6.88 lakhs, against Rs. 3.52 lakhs in the year 1912-13.

In 1926-27 the revenue from country spirit was Rs. 5.64 lakhs and represented 81.9 per cent. of the total Excise receipts. In 1912-13 the country spirit receipts amounted to Rs. 3.03 lakhs and were 86.1 per cent. of the total Excise revenue during that year.

This Memorandum is concerned only with the first three items.

356. *Law regulating liquor traffic.*—The Indian Excise Act (XII of 1896) was repealed by the Excise Regulation (I of 1915), which was brought into force on the 15th February 1915.

No separate Excise report is submitted. The annual Excise report forms part of the General Administration Report.

COUNTRY SPIRIT.

357. *Distillery system in force. Supply and wholesale vend arrangements.*—The district monopoly system formerly in force was superseded by the contract distillery system with effect from the 1st April 1908.

Under the new system the privilege of manufacture and supply of country spirit throughout the district of Ajmer-Merwara is disposed of by tender for a period of three years, subject to renewal at the option of the Collector for such further period, not exceeding two years, as he may determine. The successful tenderer, otherwise called the contract supplier, has the

monopoly of supply of liquor to retail vendors within the area of his contract. Some of the essential features of the contract are :—

(1) The *arrack* supplied is distilled from *muhwa* and *gur* at the Ajmer distillery, and is issued at the strengths of 25° under proof and 50° under proof at the rates specified in paragraph 358 below. No *gur* liquor was manufactured during the year, the requisite quantity being imported from Calcutta. The distillery and its appurtenances are the property of the distiller and contract supplier. He is required to equip and maintain his distillery on a plan approved by the Collector of Excise, and is bound to make any alterations and additions which that officer may consider necessary in the interests of the revenue. The distillery is under the charge of a responsible officer, whose duty it is to check carefully every detail in the process of manufacture, and to pass the spirits for consumption on payment of duty.

(2) The distiller is bound to provide house accommodation, the rent of which must not exceed a fixed sum, for the distillery officer and his staff. If suitable quarters cannot be rented in the neighbourhood at reasonable rates.

(3) The distiller is forbidden to undertake or have any interest in retail transactions in respect of country spirit or other intoxicants in his contract area.

(4) The distiller is also required to open wholesale shops (of which there were 5 in 1927-28) for the adequate supply of liquor within his contract area. Issues from wholesale shops are made only to other wholesale shops and independent shopkeepers in quantities of not less than 9 gallons and $\frac{1}{2}$ a gallon, respectively. The wholesale shops are a necessary link between the distiller and the petty shopkeepers, who cannot afford to purchase more than a few gallons at a time or go long distances to obtain liquor. The spirit in the wholesale shops is duty paid, and no blending or reducing operations are permitted therein.

(5) On the termination of the contract at the end of three years it is open to the contract supplier to renew the contract for a further period of two years. Failing this, the in-going contractor is required to take over at his contract rate any spirit of good quality, that the out-going contractor may leave in the distillery or wholesale shops, not exceeding two months' supply of the contract area. The in-going contractor is also required to take over at a valuation made by the Collector, all such distillery buildings, plant, vessels, furniture, tools, instruments, etc., as the Collector may consider expedient and necessary for the proper working of the distillery, and the out-going contractor is bound to hand over to the Collector or to the incoming contractor as the Collector may direct, all the distillery buildings, plant, etc., at a valuation made at the termination of the contract by the Collector, or by such other officer as the Collector may depute.

Rs. Still-head duty and consumption.—The still-head duty was raised, with effect from the 1st April 1923, to Rs. 5 and Rs. 5-10-0 per L. P. gallon in the urban and rural areas, respectively. In 1912-13 the rates of still-head duty were Rs. 4-6-0 per proof gallon in urban and Rs. 3-12-0 per proof gallon in rural areas. The contract rates at which spirits were supplied by the contract supplier were as under:—

Per gallon of—

	25° U. P.	50° U. P.	Rs. A. P.	Rs. A. P.
Mohua imported	1 3 6	0 13 3
Mohua manufactured at Ajmer	1 3 6	0 13 3
Gur	1 5 9	0 14 6
Anisced	1 6 6	..
In 1912-13, the contract supplier supplied spirits at the following rates:—				
	25° U. P.	50° U. P.	Rs. A. P.	Rs. A. P.

The total issues from the distillery in 1927-28 amounted to 70,871 proof gallons, and the duty receipts therefrom were Rs. 5.86 lakhs including the receipts from vend fees (0.77 lakh). The average taxation per proof gallon was Rs. 8-4-2 of which Rs. 7-2-10 were derived from duty.

In 1926-27, the total quantity of spirit issued from the distillery was 66,893 proof gallons against 51,780 proof gallons in 1912-13. The average consumption of spirit per 100 of population in 1912-13, 1926-27 and 1927-28 was 10.33, 13.5 and 14.3 proof gallons, respectively.

The total receipts from spirit in 1926-27 amounted to Rs. 5.64 lakhs (4.83 lakhs from duty) against 3.03 lakhs (2.13 lakhs from duty) in 1912-13. The average total taxation per proof gallon in 1926-27 was Rs. 8-6-10 against Rs. 5-13-8, in 1912-13.

359. Retail vend arrangements.—The right of retail vend of country spirit was sold by auction by separate shops. The independent shop-keepers were required to obtain all their liquor from the contract distillery, either direct or through the agency of the wholesale shops referred to in paragraph 357 above. In order to obviate the watering of liquor by shop-keepers and to facilitate the detection of smuggled liquor the independent shopkeepers were bound, as a condition of their licenses, to sell their liquor at the fixed issue strengths of 25° under proof and 50° under proof. The great bulk of the liquor sold was of the strength of 25° under proof.

The distiller could also prepare and sell in sealed bottles sweetened-*musala* liquor at strengths of 25° under proof and 50° under proof. This consisted of the raw *mahua* liquor to which sugar and other ingredients such as anisced and cardamom were added. The demand for such liquor was small.

The total number of country spirit shops in 1912-13, 1926-27 and 1927-28 was 128, 111 and 111, respectively.

310 *Privileged private distillation*.—Certain *Tuzimi Istimardars* of Ajmer were allowed the privilege of distilling liquor from *mahua* or molasses, on their own premises and for their own consumption, under special licenses, issued by the Collector. The liquor was required to be manufactured in a place open to inspection by the superior officers of the preventive establishment, and the total amount distilled was subject to a maximum limit fixed by the Collector. No charge was made for the privilege.

351. *Toddy*.—The right of drawing and selling toddy was leased out to a contractor for Rs. 700 for the year 1927-28.

FOREIGN LIQUORS.

352. These include not only spirits and liquors imported from Europe but also sophisticated and flavoured spirits and spirits made from special bases which are taxed at the tariff rate of duty. No such liquors were manufactured in Ajmer-Merwara. The Excise revenue therefrom was derived from vend fees. The scale of fees for the various licenses was as follows:—

<i>Per annum.</i>				
1. Wholesale vend	100	..	..	..
2. Retail vend	250	..	..	..
3. Canteen licenses	24	..	..	..
4. Refreshment room and hotel	100	..	..	..
5. Nasirabad dak bungalow	5	..	..	..
6. Ajmer dak bungalow	5	..	..	..
7. Railway dining car	100	..	..	..

Foreign liquors except gin (for which a strength of 35° under proof was prescribed) and denatured spirits kept for sale could not be weaker than 25° under proof. Liquors, whiskies and brandies selling at not less than Rs. 24 per gallon were, however, sold at strengths lower than 25° under proof.

When liquor was bottled in India the labels on the bottles had to show the fact of such bottling and the name of the bottler. Retail vendors of foreign liquor were not allowed to alter either the nature of their liquor or the labels under which they had purchased it on pain of forfeiture of their licenses.

The duty paid on Shahjahanpur rum consumed in Ajmer-Merwara was credited to Government in the United Provinces and did not form a receipt in Ajmer-Merwara.

353. *Consumption and licenses*.—The statement below shows the consumption of imported foreign liquors and the total number of retail licenses (including refreshment room and hotel, dak bungalows and dining cars licenses, etc.), for the years 1916-17, 1926-27 and 1927-28.

Consumption in Imperial Gallons.

Year.	No. of licenses,	Spirits.	Wines.	Malt liquors.
1916-17	..	3,944	800	32,610
1926-27	..	3,703	860	32,620
1927-28	..	3,804	866	15,612

LOCATION OF SHOPS.

364. The sites of liquor shops were approved by the Collector, and shops were closed or their sites altered with reference to considerations of police administration and the public good generally. In municipal towns public opinion was also consulted before deciding upon the number and locality of shops. Shops were at all times open to inspection by the superior officers down to the rank of Sub-Inspectors.

EXCISE OFFENCES AND CONVICTIONS.

365. In 1912-13 the number of persons convicted for drunkenness in the municipal area was 152 against 109 in 1926-27 and 97 in 1927-28. In 1926-27 the total number of cases under the Excise Regulation and the Opium Act was 87. In these cases 111 persons were implicated; out of these 86 were convicted, 17 acquitted and 8 were pending trial. In 1927-28, the total number of cases under the Excise Regulation and the Opium Act was 67. In these cases 77 persons were implicated; out of these 61 were convicted, 9 acquitted and 7 were pending trial at the close of the year.

ADMINISTRATIVE AGENCY.

366. The Excise administration was conducted under the control of the Commissioner, by the Assistant Commissioner, who is Excise Collector for the entire district of Ajmer-Merwara. A small special preventive establishment was employed, the duties of which in respect to liquors were to suppress illicit distillation or smuggling, and to see that sales at shops were in accordance with the conditions of the license. A Superintendent of Excise has been appointed for controlling the distillery and preventive establishments.

INCIDENCE OF EXCISE REVENUE PER HEAD.

367. Calculated on the census figures of 1921, the average total Excise revenue per head of population in 1927-28 was Re. 1-6-10 of which about 5/6ths was debitable to liquors. In 1926-27, the average Excise revenue per head was Re. 1-6-2 (about 5/6ths from liquors) against Re. 0-11-3 (7/10ths from liquors) in 1912-13.

CHAPTER XIV.—COORG.

366. *Excise Revenue.*—The Excise receipts for 1927-28 amounted to Rs. 3.67 lakhs as shown below, and bore a percentage of 26.59 to the total gross revenue of the Province:—

Heads.			Receipts (in lakhs of rupees.)	Percentage of total Excise revenue.
(1) Country Spirit	..	..	2.94	80.11
(2) Toddy	..	..	0.63	17.16
(3) Imported liquors	..	..	0.01	0.28
(4) Beer	..	..	0.01	0.28
(5) Opium	..	..	0.03	0.82
(6) Hemp drugs	..	..	0.04	1.09
(7) Miscellaneous	..	..	0.01	0.26
Total	..	..	3.67	100.00

During the year 1926-27 the total Excise receipts amounted to Rs. 3.30 lakhs as against Rs. 2.47 lakhs in 1912-13 (cf. statement XI). The revenue from country spirit in 1926-27 was Rs. 2.63 lakhs and formed 79.76 per cent. of the total Excise revenue. The corresponding figures for 1912-13 were Rs. 1.91 lakhs and 71.3 per cent. respectively (cf. statements VII and VIII). The net revenue from Excise during the year shows an increase of about 50.62 per cent. and 12.5 per cent. on the corresponding figures of 1912-13 and 1926-27, respectively.

This Memorandum is concerned only with the first four items.

369. *Law regulating liquor traffic.*—In 1912-13 the Excise Act XII of 1896 applied to Coorg. In 1926-27 and 1927-28 the Excise Regulation, I of 1915, was in force.

COUNTRY SPIRIT.

370. *Supply.*—Country spirit was supplied to Coorg under the contract distillery system. But there was no separate distillery in Coorg. Spirit distilled from sugarcane jaggery was imported under bond, from Nellikup-pan in the South Arcot district of the Madras Presidency. Under the contract distillery system contract for the supply and wholesale vend of spirit is disposed of by tender annually. The successful tenderer has the

monopoly of supply to the retail vendors within the Province. The still-head duty to be paid to Government is fixed and tenders are required to state at what rate they are prepared to supply spirits of certain fixed strength at fixed local areas in the Province.

The contract for the import and wholesale vend of country spirit during 1927-28 was granted to Messrs. Parry & Co., the contractors of the Nellikuppam distillery, who agreed to supply the spirit of 35 degrees n. p. at the fixed local areas at Rs. 1-9-6 per gallon, over and above the duty of Rs. 5-8-0.

371. Duty and strength of issue.—The rate of duty in 1926-27 and 1927-28 was Rs. 8-7-5 per proof gallon, as against Rs. 5-10-0 in 1912-13. The strength at which the spirit was sold to the Public during 1927-28 and 1926-27 and 1912-13 was 35 degrees and 30 degrees under proof respectively.

The duty payable on the issues amounted to Rs. 2.13 lakhs in 1927-28 as against Rs. 1.77 lakhs in 1926-27 and Rs. 1.49 lakhs in 1912-13. A bonded warehouse has been established at Alwarua in a Government building and a rental of Rs. 1,188 per annum is charged for its use by the supply contractors. The overproof spirit imported by the contractors is reduced here to the required strength under Government supervision, before issue for sale.

372. Wholesale depots.—Wholesale depots were run by the contractors and their number was fixed by the Commissioner. There were four such depots in each of the years 1926-27, 1927-28 and 1912-13. The issue price at the wholesale depots was fixed as per the contractors' tender. The issue price at depots in 1926-27 and 1927-28 was Rs. 7-1-6 per gallon of 35 degrees under proof as against Rs. 4-14-6 per gallon of 30 degrees under proof in 1912-13. The spirit kept in the wholesale depots was all duty paid.

373. Retail vend.—The right of retail vend of country spirit is annually sold by auction by separate shops throughout the province. The wholesale contractors were forbidden to undertake or have any interest in retail transactions in respect of country spirit or other intoxicating liquors in their contract areas. The retail shop-keepers were required to obtain the liquor from the nearest wholesale depot referred to above. The price of *arrack* at the retail shops was fixed at a flat rate of Rs. 9-0-0 per bulk gallon in each of the years 1926-27 and 1927-28. In 1912-13 the minimum retail price in towns where there were more than one shop was fixed at Rs. 5-8-0 per bulk gallon and at a maximum rate of Rs. 6-4-0 per gallon elsewhere.

374. Number of shops.—In each of the years 1926-27 and 1927-28, the number of shops for the retail sale of country spirit was 25 as against 33 in 1912-13.

375. Consumption.—The consumption of country spirit in 1927-28 was 25,066 proof gallons, compared with 21,213 proof gallons in 1926-27 and 26,493 proof gallons in 1912-13. The average consumption of country spirit per 100 of population during the year 1927-28 was 15.30 proof gallons compared with 12.94 proof gallons in 1926-27 and 15.14 proof gallons in 1912-13. The average consumption in 1927-28 rose by 2.34 proof gallons compared with that of the preceding year and by 0.16 proof gallon compared with the consumption of 1912-13.

376. Average taxation.—The receipts under vend license amounted to Rs. 0.51 lakh in 1927-28, as against 0.81 lakh in 1926-27 and 0.42 lakh in

1912-13. Adding to the 1927-28 figure the sum of Rs. 2.13 lakhs realised from duty, the receipts from country spirit amounted to Rs. 2.94 lakhs in 1927-28 as against Rs. 2.63 lakhs in 1926-27 and Rs. 1.91 lakhs in 1912-13. The average total taxation in 1927-28 amounted to Rs. 11-10-10 per proof gallon, of which Rs. 8-7-5 was derived from duty. The average taxation per proof gallon in 1926-27 was Rs. 12-8-0 (Rs. 8-7-8 from duty) and Rs. 7-2-4 (Rs. 5-10-0 from duty) in 1912-13.

TODDY.

377. Toddy (known in Northern India as *tur*) is the sap of the palm tree.

378. *Unfermented or sweet toddy*.—Unfermented toddy was not subject to any taxation; but it was required to be drawn in pots freshly coated intervally with lime to prevent fermentation. Licensees had to be obtained for the tapping of the trees for sweet toddy and they were issued free.

379. *Fermented toddy*.—There was no tree-tax system in Coorg as in Madras but a proposal to introduce the system was under investigation.

380. *Supply and vend*.—The right of obtaining and selling toddy in each of a number of sanctioned shops is leased by auction from year to year. The contractor may tap mature trees on Government lands, free of charge but must make his own arrangements with private tree owners. The latter may draw toddy from their trees for their own consumption but shall not dispose of it otherwise or grant the right of tapping their trees except to the vend renter and for cash payment only. The limit of possession without a license should not in any case exceed four seers. The number of licenses for the retail sale of toddy in 1927-28 was 42, as against 45 in 1926-27 and 88 in 1912-13.

Passes were granted to bakers on payment of one rupee per annum, to obtain state toddy from the retail shops, for the manufacture of bread.

381. *Taxation*.—Rental realised at the auction sales of the retail shops was the only source of revenue under this head. The revenue realised in 1927-28 was Rs. 0.64 lakh against Rs. 0.57 lakh in 1926-27 and Rs. 0.46 lakh in 1912-13.

IMPORTED LIQUORS.

382. *Vend, taxation, etc*.—Excise revenue on imported liquors was derived only from licenses for the privilege of vend. Licenses for the whole sale and retail sales of imported liquors were granted on payment of a fixed fee of Rs. 240 and Rs. 120 per annum respectively. The number of whole-sale shops in 1927-28 was three against two in 1926-27 and one in 1912-13. The number of retail shops in 1927-28 was 4, compared with 5 in 1926-27 and 7 in 1912-13.

383. *Consumption*.—The statement below shows the consumption of imported liquors in each of the years 1912-13, 1926-27 and 1927-28.

Year.	Spirits in Imperial gallons.	Wines in Imperial gallons.	Malt liquors in Imperial gallons.
1916-17	1,503	360	1,022
1926-27	1,996	704	1,521
1927-28	2,035	539	1,786

COUNTRY BEER, ETC.

384. There were no breweries in Coorg. Beer required for consumption was imported from the Bangalore brewery. Three shops were licensed for the sale of beer during the years 1927-28 and 1926-27 as against one, in 1912-13. The licenses for these shops are disposed of annually by auction. The rental realised in 1927-28 was Rs. 630, against Rs. 980 in 1926-27 and Rs. 100 in 1912-13. The duty on the beer imported into Coorg follows consumption. The duty was therefore recovered at Bangalore before issue and credited to Coorg revenues by book adjustment once in a quarter. The amount of duty realised in 1927-28 was Rs. 715, against Rs. 788 in 1926-27. Nothing was realised in 1912-13 as the arrangements referred to above were made only in 1925-26. Indian-made foreign liquors were not, so far as is known, sold in Coorg.

GENERAL.

385. *Location of Shops*.—An Advisory committee was first constituted in 1927. It consisted of 4 official and 5 non-official members. The duties of the Committee were to advise the Government regarding the number and location of shops and generally on matters connected with Exercise. Prior to 1927 the location of shops was discussed with Municipal committees in case of shops within the municipalities, and with the residents of the locality in case of rural shops. In 1927 the Committee recommended the closures of three toddy shops and additional preventive staff. The former recommendation was given effect to and the latter is under consideration.

386. *Offences and convictions*.—The number of prosecutions instituted during the year 1927-28 was 112 against 108 in 1926-27 and 61 in 1912-13.

The following table gives the details of offences committed. Convictions were awarded only in 93 cases :—

Year.	Smuggling of ganja.	Illicit distillation and possession of country spirit.	Possession and sale of toddy without a license.	Breach of conditions of license.
1912-13	..	3	26	31
1926-27	..	3	31	50
1927-28	..	2	64	64
				23*

* Of this 21 were compounded and two were decided in a court.

387. *Administrative Agency.*—The Excise administration in Coorg was under the Commissioner. The Jailor, Mercara Jail, looked after the warehouse, a wholetime officer at the warehouse being found unnecessary. He was allowed a special pay of Rs. 30 per mensem for the additional work.

In 1926-27 there were only two Sub-Inspectors with two peons under each for preventive purposes. One Sub-Inspector and two peons were added to the department during 1927-28. The Subedars (local Revenue Officers) supervised the work of the Excise Sub-Inspectors. The Police Sub-Inspectors had under section 54 of the Excise Regulation the power to search without a warrant, and the Papatigars (local Revenue subordinates) under section 51 could enter and inspect places of manufacture and sale of excisable articles. In 1912-13 one Excise Inspector with five Sub-Inspectors and twelve peons under him formed the preventive staff.

388. *Any important or new legislation or resolution or bill in the Legislative Council.*—The point raised during the budget session of 1927 regarding the establishment of a distillery in Coorg to distill paddy arrack was under investigation during the year under report.

During the budget session of 1928, Mr. P. B. Madappa, M.L.C., moved a cut to point out the discontent in the Province in the matter of the present supply of arrack, the demand for the supply of paddy arrack, the increase in the number of offences under the Excise Regulation and the necessity for the increased staff. In view of the assurance given by the member in charge of Excise that he would examine the points, the motion was by leave withdrawn.

389. *Average total Excise Revenue.*—Calculated on the census figures of 1921, the total Excise revenue in 1927-28 formed an average of Rs. 2-3-10 per head of population, the bulk of which was derived by taxation on Liquors. In 1926-27 the incidence of Excise amounted to Rs. 2-0-2, against Re. 1-6-7 in 191

CHAPTER XV.—BALUCHISTAN.

390. *Excise Revenue*.—The Excise receipts for 1927-28 amounted to Rs. 5.92 lakhs (exclusive of Rs. 35,813 realized by book transfer on account of duty on Indian-made foreign liquors imported from other Indian Provinces), made up as follows:—

Heads.	Receipts (in lakhs of rupees).	Percentage of total Excise revenue.	Total	
			5-92	100-0
(1) Country Spirit	3.88	65.6	..	..
(2) Duty on Indian-made beer	.70	11.8	..	..
(3) Vend fees on foreign liquors	.15	2.5	..	..
(4) Opium and its preparations	.54*	9.1	..	..
(5) Hemp drugs	.65†	11.0	..	..
(6) Miscellaneous	Nominal.	..	..	..

In 1926-27 the total Excise receipts amounted to Rs. 5.90 lakhs, against Rs. 2.79 lakhs in 1912-13. The revenue from country spirit during 1926-27 amounted to Rs. 4.02 lakhs, and represented 68.1 per cent. of the Excise revenue. In 1912-13 the receipts from country spirit amounted to Rs. 1.65 lakhs, and formed 59.1 per cent. of the Excise revenue.

This Memorandum is concerned only with the first three items.

391. *Law regulating liquor and Hemp drugs traffic*.—The Excise Regulation of 1915, was in force during the years 1926-27 and 1927-28. In 1912-13 the Indian Excise Act, XII of 1896, applied to the Agency.

COUNTRY SPIRIT.

392. *Excise system in force*.—Till the year 1909 the manufacture and vend of country spirit throughout Baluchistan with the exception of Kalat State, were combined under a monopoly system. The monopoly rights were sold each year by auction, each district usually forming a

*Including Rs. 5,820 on account of sale proceeds of Excise Opium issued to the Kalat State.
†Including Rs. 5,698 on account of duty on *Churdas* imported by Kalat State.

separate farm, and manufacture was carried on under the out-still system. With effect, however, from the 1st October 1909, a contract distillery system was introduced in the (Quetta-Pishin, Sibi with the exception of tribal areas, Loralai, Bolan and Chagai districts. Subsequently with effect from the 1st April 1914, the Hindubagh and Killa Saifullah tehsils of the Zhob district (which can conveniently be served from the Quetta distillery) were brought under the contract distillery system, and the out-still system was reintroduced in the Musakhel tehsil of the Loralai district, as the liquor required for consumption in this area could easily be procured from the still at Fort Sandeman. The contract distillery system thus covered in 1927-28, an area of 35,321 square miles and a population of 330,136 according to the census figures of 1921. The out-still system remained in force in the Musakhel tehsil of the Loralai district, and the Fort Sandeman tehsil of the Zhob district, covering an area of 8,639 square miles, with a population of 53,488. For the corresponding figures relating to the years 1912-13 and 1926-27, see Statement V.

393. *The Distillery system, Manufacture and supply.*—The liquor required for consumption in the district under the contract distillery system was issued from a Government distillery at Quetta. The exclusive right to manufacture liquor at this distillery is farmed out for a period of not less than two years and not exceeding four years, tenders being invited to state the price per gallon at which they will supply the liquor to licensed vendors and the holders of special permits referred to in paragraph 397 below.

The supply rates per gallon, during the years 1912-13, 1926-27 and 1927-28 were as follows:—

For liquor issued from the Quetta Distillery.

		Plain.		Flavoured.	
		1912-13.	1926-27.	1912-13.	1926-27.
10° U. P.	Rs. a. p.	2 4 9	2 4 9	1 6 6	2 5 3
20° U. P.	Rs. a. p.	2 0 6	2 0 6	1 2 6	2 1 0

For liquor issued from the Bonded Warehouse at Jhalpat in the Nasirabad sub-division of the Sibi district which was also supplied from the

Quetta distillery :—

10° U. P.	20° U. P.	Plain.						Flavoured.							
		1912-13.	1926-27.	1927-28.	1912-13.	1926-27.	1927-28.	1912-13.	1926-27.	1927-28.					
Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
1 7 0	1 2 0	2 5 9	2 1 0	2 5 9	2 1 0	1 8 6	1 4 0	2 8 3	2 1 0	2 8 3	2 1 0	2 8 3	2 1 0	2 8 3	2 1 0

The distiller was required to pay a fixed rent of Rs. 200 per mensem for the distillery. In 1912-13 the distiller had to pay Rs. 150 per mensem.

394. *Issue, strength and duty.*—As stated above, liquor was issued from the distillery at fixed strengths of 10° and 20° under London proof (vide Notifications by the Hon'ble the Agent to the Governor General in Baluchistan Nos. 492 and 493-R., dated the 27th January 1911) and was sold at those strengths. Liquor issued at the strength of 20° under proof was required to be coloured red; that issued at the higher strength of 10° under proof was uncoloured. There was an Inspector in charge of the distillery whose duty it was to control the manufacture and supply of the liquor. Issues for consumption in the Nasirabad and Railway sub-division were made through a bonded warehouse established at that place, and those for consumption elsewhere on payment of duty before the liquor was taken out of the distillery. The minimum quantity allowed to be issued from the distillery at a time was 5 gallons and from the bonded warehouse at that place 2 gallons. On issues for consumption by the general public still-head duty at the rates specified below was charged :—

When issued for consumption in the Quetta Town :
1912-13. 1926-27 and 1927-28.

Rs. a. p. Rs. a. p.
5 0 0 9 9 0 per gallon of 10° under proof and
4 7 0 8 8 0 per gallon of 20° under proof.

When issued for consumption in the Nasirabad and Railway sub-division :—

1912-13. 1926-27 and 1927-28.

Rs. a. p. Rs. a. p.
3 8 0 6 2 0 per gallon of 10° under proof and

3 2 0 5 8 0 per gallon of 20° under proof.

When issued for consumption in other areas :—

1912-13. 1926-27 and 1927-28.

Rs. A. P.

4	0	0	7	12	0	per gallon of 10° under proof and
3	8	0	7	0	0	per gallon of 20° under proof.

395. *Vend arrangements*.—There were two kinds of vend licenses, wholesale and retail. Wholesale vendors could sell liquor to retail vendors only, the license fee, which was usually nominal, being fixed by the Revenue Commissioner. The right to sell liquor by retail was sold by public auction for each shop separately, the number of shops being determined before hand. Maximum rates at which retail vendors could sell liquor were fixed by the Revenue Commissioner.

Two wholesale and 44 retail licenses in the distillery areas were issued during each of the years 1926-27 and 1927-28 compared with one wholesale and 47 retail licenses in 1912-13.

396. *Special issues to troops*.—Special arrangements existed for the supply of liquor of a strength of 20° under proof from the distillery at Quetta to Indian Regiments stationed in Baluchistan who preferred it to rum. This liquor was coloured brown with caramel, and a uniform reduced rate of duty calculated on the basis of the average rates of duty leviable in the distillery area of the Province, viz., Rs. 7 per gallon of 20° under proof, was charged upon it.

397. *Special permits for private consumption*.—Special permits could also be granted by Political Agents or officers specially authorised by them, not being below the rank of Extra Assistant Commissioner, to persons of known respectability, under which they could obtain either direct from the distillery or through a retail (but not wholesale) vendor specially manufactured liquor in quantities not exceeding 9 gallons at a time, for their private consumption. If such liquor was obtained direct from the distillery, still-head duty was levied upon it at the enhanced rates of Rs. 13-6-0 and Rs. 12-1-0 per gallon of spirits of the strength of 10° and 20° under proof, respectively. These were the rates of duty in 1926-27 also. In 1912-13 the still-head duty was charged at the rate of Rs. 5-8-0 and Rs. 4-15-0 per gallon of spirit of the strength of 10° and 20° under proof respectively.

398. *Issue and average taxation*.—The issues from the distillery during 1927-28 amounted to 30,332 and 3,172 gallons of the strength of 10° and 20° under proof, respectively, equivalent to 29,836 gallons London proof. The revenue realised from duty amounted to Rs. 2.93 lakhs and that from vend fees, etc., to Rs. 0.79 lakh. The average taxation was Rs. 12.48 per proof gallon of which Rs. 9.82 were derived from duty.

In 1926-27 the total quantity of spirit issued in distillery areas was 30,221 gallons London proof compared with 23,599 gallons London proof in 1912-13. The total receipts from spirit amounted to Rs. 4.02 lakhs in 1926-27 and Rs. 1.57 lakhs in 1912-13. The average taxation per proof gallon in 1926-27 was Rs. 12.73 (Rs. 9.79 from duty), compared with Rs. 6.55 (Rs. 5.01 from duty) in 1912-13.

The total consumption of country spirit in the Agency (in distillery and out-still areas) was 31,828.50 proof gallons in 1927-28, against 32,492.8 in the preceding year and 25,072 proof gallons in 1912-13. The average consumption of country spirit per 100 of the total population in the years 1912-13, 1926-27 and 1927-28 was 6.05, 7.72 and 7.57* proof gallons respectively. Thus there was a decrease of 1.94 per cent. in the average consumption as compared with that of 1926-27 while there was an increase of 25.12 per cent. over that of 1912-13.

399. *The out-still system.*—As stated in paragraph 392 above, the out-still system was in force in the Musakhel taluk of the Loralai district and the lower Zhob taluk of the Zhob district, the exclusive right of manufacture and sale of country spirit in that area being sold each official year by public auction. During each of the years 1926-27 and 1927-28 one out-still license was issued, and there were five retail shops both in 1926-27 and 1927-28. The revenue realised amounted to Rs. 15,167 against Rs. 15,264 in 1926-27.

In 1912-13 one Out-still license was issued, and there were 15 retail shops. The revenue realised amounted to Rs. 0.08 lakh.

FOREIGN LIQUORS.

400. *Vend arrangements.*—Foreign spirits and fermented liquor (in-

cluding rum and beer whether imported from Europe or made in India after European methods) were sold under wholesale and retail licenses, granted by Political Agent and Deputy Commissioners. Wholesale licenses were granted on payment of fixed fees varying from Rs. 50 to Rs. 300 per annum according to local circumstances; an additional fee of Rs. 50 to Rs. 100 per annum being charged for the privilege of bottling. Retail licenses permitting sale for consumption off the premises were granted on payment of fixed fees varying from Rs. 50 to Rs. 500 per annum, Rs. 12 being charged in the case of a special season license for the Ziarat Bazar. One retail license for consumption on the premises only was sold in the town of Quetta by public auction. If the bid were lower than Rs. 600, no such license was issued. Hotel, Refreshment Room (other than Railway Refreshment room) and billiard room licenses were issued on payment of fees varying from Rs. 25 to Rs. 700 per annum. There were also Railway Refreshment Room and Dak Bungalow licenses and special licenses issued under the military canteen tenant system, all at lower rates. Sometimes temporary bar licenses for the sale of liquor for a period not exceeding six days, were granted at the discretion of the Political Agent or Deputy Commissioner, the minimum fee charged for them being Rs. 4 per diem. The fee for Dak Bungalow licenses varied from Rs. 12 to Rs. 25 per annum.

Fifteen wholesale and 27 retail licenses (including 3 for consumption on the premises) for the vend of foreign liquors, were issued during the year 1927-28 compared with 13 wholesale and 25 retail licenses in the

*These figure, do not agree with the figures shown in the Excise Administration Reports because the figures in the latter have been worked out on the population of the distillery area while these figures have been calculated on the total popula-

401. *Consumption*.—The consumption of foreign liquors (imported) in 1916-17, 1926-27 and 1927-28 is compared in the following table :—

preceding year and 5 wholesale and 16 retail licenses in 1912-13. In 1927-28 there were also 10 hotel and 13 refreshment room and dak bungalow and 26 military canteen and 43 temporary stall licenses. Thirty-three licenses were issued for the sale of denatured spirits in 1927-28 against 27 in the preceding year, compared with 12 licenses in 1912-13.

In Imperial gallons.		Description.	
1916-17.	1926-27.	1927-28.	
976	2,407	2,732	(a) Wine
3,910	9,008	9,110	(b) Spirits
2,913	66,610	48,096	(c) Beer

402. *Beer*.—Breweries could be established subject to the necessary rules and restrictions for safe-guarding Government revenue, the beer passed out therefrom being excised at Re. 0-8-0 per Imperial gallon. An Excise Officer could be stationed at the Brewery to supervise operations, and in that case the brewer was bound to provide him with quarters, but his pay was a Government charge. No fee was charged for a brew-ery license. There was only one brewery in the Province. It belonged to the Murree Brewery Company, and was situated at Girani near Quetta. The consumption of Indian-made beer in 1927-28 was 141,732 Imperial gallons, against 132,456 in 1926-27.

403 The brewers were granted separate licenses for the wholesale vend of fermented liquors manufactured at their brewery only on pay-ment of a fee ranging from Rs. 50 to Rs. 300 per annum. One such license was taken out during the year 1927-28. Retail licenses for the sale of foreign fermented liquors (imported as well as locally manufactured) for consumption on the premises only were sold by auction and the special sanction of the Revenue Commissioner was required when the fees bid for them fell below Rs. 300. Two such licenses, issued in the Quetta town during 1924-25 remained in force during 1927-28.

LOCATION OF SHOPS.

404. Except at Quetta there was no town or bazar in the Province in which there was an Advisory Committee. The Advisory Committee at

Quetta consisted of 4 non-official and 2 official members, but its functions were merely advisory, and no powers were delegated to it. All questions connected with the reduction and location of shops and the hours of sale and other kindred matters were referred to it. Elsewhere the number and location of Excise shops were carefully supervised by the local authorities, and the local Panohayais were consulted when any change was thought necessary.

405. *Offences and convictions*.—The number of persons convicted for drunkenness in Baluchistan during 1912-13, 1926-27 and 1927-28 was 65,100 and 23, respectively. Country liquor in small quantities was illicitly imported from the Kalat State. Three cases of smuggling and two of illicit distillation of country liquor were detected during the year.

ADMINISTRATIVE AGENCY.

406. Excise arrangements were worked by the District Officers under the supervision of the Revenue Commissioner. Besides the Distillery Inspector referred to in paragraph 394 above, two Excise Inspectors were appointed, one for the Quetta-Pishin, Bolan, Chagai and Zhob districts, and the other for the Sibi and Loralai districts.

AVERAGE TOTAL EXCISE REVENUE.

407. Calculated on the census figures of 1921, the average total Excise revenue (excluding Rs. 5,820 on account of sale proceeds of opium issued to the Kalat State and Rs. 5,698 on account of duty on *charas* imported by Kalat State Contractor) per head of population in 1927-28 worked out to Rs. 1.51 of which about $\frac{1}{5}$ th was contributed by liquors. In 1926-27 the average Excise revenue was Rs. 1.53 per head, compared with Re. 0.67 in 1912-13.

STATEMENT I.

Statement showing consumption (issues) of country spirit during 1912-13, 1926-27 and 1927-28 and percentage of increase or decrease of average consumption in 1927-28 compared with that of 1912-13 and 1926-27 respectively.

[In L. P. Gallons.]

Province.	Absolute consumption of country spirit during.			Average consumption of country spirit per 100 of the population calculated on the census figures of 1911 and 1921.			Percentage of increase (+) or decrease (-) of average consumption during 1927-28 over the figures of	
	1912-13.	1926-27.	1927-28.	1912-13.	1926-27.	1927-28.	1912-13.	1926-27.
Madras Presidency	1,773,673	1,447,670	1,438,524	4.28	3.42	3.40	-20.66	-0.58
Bombay Presidency	2,630,860	1,297,176	1,286,161	16.30	8.10	8.03	-50.73	-0.86
Sind	228,204	100,384	113,011	0.49	3.34	3.45	-40.81	+3.29
Bengal Presidency	861,534	627,962	591,935	1.87	1.35	1.24	-33.69	-8.16
Burma	57,301	113,472	117,006	0.47	0.86	0.80	+89.36	+3.40
Bihar and Orissa	1,167,036	1,004,352	1,006,704	3.36	3.10	2.90	-11.80	-4.51
United Provinces	1,089,932	360,804	387,303	3.61	0.79	0.85	-76.45	+7.69
Punjab	410,932†	297,757†	383,166†	2.14	1.43	1.85	-13.55	+29.37
Central Provinces and Berar	1,201,346	460,908*	461,849*	8.03	3.38	3.25	-62.31	-3.85
Assam	247,303	292,115	255,160	3.08	3.36	3.27	-11.14	-2.68
North-West Frontier Province	24,296†	10,936†	21,144†	1.11	0.90	0.94	-15.30	+4.42
Dohi	32,505	18,469	30,038	7.82	3.77	6.15	-21.35	+63.13
Ajmer-Merwara	61,780	66,893	70,871	10.33	13.50	14.30	+38.43	+5.93
Coorg	26,493	21,213	25,066	15.14	12.94	15.30	+1.06	+18.24
Baluchistan	25,072	32,493	31,828	6.05	7.72	7.57	+25.12	-1.94
Total	10,418,026	6,200,724	6,200,750	4.27	2.52	2.52	-41.22	Stationary.

* Figures relate to calendar years except in the case of 1912-13.
† These figures represent sales and not issues.

the years 1916-17, 1926-27, and 1927-28 and the total number of licenses and canteen licenses) for the retail sale of these liquors.

1926-27.		1927-28.	
Wines (bulk gallons).	22,457	160,213	540,676
	520,667	44,403	1,109
Imported (Imperial gallons).	280,448	4,856	185
	5,665	799,942	175,755
Manufactured in India (Imperial gallons).	1,633,503	3,077,086	5,665
	132,456	121	121
Beer.	38,441	463,984	540,567
	9,409	185	185
Total number of licenses (including temporary licenses).	509	(a) 114,175	27,593
	509	(a) 114,175	27,593
Spirits (proof gallons).	52,422	35,268	9,268
	52,422	35,268	9,268
Wines (bulk gallons).	161,766	90,100	13
	13	90,100	13
Imported (Imperial gallons).	334,781	222,835	1,349,182
	96,172	18,001	74,413
Manufactured in India (Imperial gallons).	41,949	15,612	1,431
	1,431	1,431	1,431
Beer.	2,407	56,510	132,456
	2,407	56,510	132,456
1926-27.		1927-28.	

(d) These figures include exports to other provinces.
 (e) Figures relate to calendar years except in the case of 1916-17.
 NOTE.—Figures for the year 1916-17 have been substituted for those relating to 1912-13 (which has been adopted as the basic year in other statements) as the figures for the latter year are not reliable.

STATEMENT III.

Statement showing number of country spirit shops (in distillery as well as out-still areas) per 100,000 of population and the average area per shop during the years 1912-13, 1926-27 and 1927-28.

Province.	Total number of country spirit shops during			Average area per country spirit shop (in sq. miles) during			Number of country spirit shops per 100,000 during		
	1912-13.	1926-27.	1927-28.	1912-13.	1926-27.	1927-28.	1912-13.	1926-27.	1927-28.
Madras Presidency	8,076	5,939	5,893	15.66	24.00	24.14	21.68	14.02	13.92
Bombay Presidency Proper	2,114	1,588	1,589	35.95	48.51	48.48	13.10	9.92	9.92
Sind	240	112	106	188.70	419.14	442.87	7.09	3.42	3.23
Bengal Presidency	1,287	938*	931*	61.15	76.44	77.02	2.83	2.01	2.00
Burma	130	202	200	1,775.68	1,156.97	1,168.54	1.07	1.53	1.51
Bihar and Orissa	2,688	1,579	1,559	39.84	52.76	53.44	6.05	4.64	4.58
United Provinces	4,742	2,268	2,248	22.62	46.87	47.28	10.13	4.99	4.95
Punjab	795	661	655	125.50	145.36	136.28	4.06	3.19	3.17
Central Provinces and Berar†	3,759	2,294	2,238	26.56	43.54	44.63	27.01	16.49	16.09
Assam	188	191	194	282.00	277.56	273.27	2.8	2.45	2.55
North-West Frontier Province	37	26	26	302.65	536.76	516.1	1.68	1.19	1.15
Delhi	15	10	11	†	59.30	53.9	4.0	2.0	2.25
Ajmer-Merara	128	111	111	21.18	24.42	24.42	25.52	22.41	22.42
Coorg	33	25	25	47.94	63.28	63.28	18.86	15.26	15.26
Baluchistan	62	49	49	874.65	1,106.69	1,106.69	14.96	11.65	11.65
Total figure for British India	24,603	15,403	15,835	44.3	68.2	68.9	10.09	6.48	6.41

* Excluding temporary shops.

† Figures relate to calendar years except in the case of 1912-13.

‡ Information not available.

STATEMENT IV.

Statement showing number of country spirit shops, and tari and toddy and pachwai shops in 1912-13, 1926-27 and 1927-28, respectively, and the percentage of increase (+) or decrease (—) compared with the years 1912-13 and 1926-27.

Province.	Number of country spirit shops during			Percentage of increase (+) or decrease (—) of the number of country spirit shops compared with that of the year :—		Number of shops* for retail sale of tari or toddy, etc., and pachwai and other country fermented liquors during			Percentage of increase (+) or decrease (—) of the number of tari, toddy and pachwai, etc., shops compared with the figures of	
	1912-13.	1926-27.	1927-28.	1912-13.	1926-27.	1912-13.	1926-27.	1927-28.	1912-13.	1926-27.
Madras Presidency.	8,976	5,939	5,893	—34.35	—0.77	14,478	10,355	10,375	—28.34	+0.19
Bombay Presidency.	2,114	1,588	1,589	—24.83	+0.06	1,042	1,025	1,046	+0.4	+2.05
Bengal Presidency.	249	112	106	—57.43	—5.36	4	9	9	+125.0	Stationary.
Burma.	1,287	945†	938†	—27.12	—0.74	2,560	1,738	1,705	—24.56	Stationary.
Bihar and Orissa.	130	202	200	+53.85	—0.99	1,098	813	813	—25.96	—1.9
United Provinces.	2,088	1,579	1,559	—25.33	—1.27	8,012	5,823	5,777	—27.9	Stationary.
Punjab.	4,742	2,268	2,248	—52.59	—0.88	3,023	1,714	1,650	—45.42	—0.79
Central Provinces and Berar†	795	661	655	—17.6	—0.9	25	15	15	—40.0	—3.73
Assam.	3,759	2,294	2,238	—40.46	—2.44	493	406	381	—22.72	Stationary.
North-West Frontier Province	188	191	194	+3.19	+1.67	23	6	6	—73.91	—6.16
Delhi.	37	26	26	—29.73	Stationary	..	..	..	..	..
Ajmer-Merwara.	15	10	11	—26.6	+10.00	..	2	2	..	..
Coorg.	128	111	111	—13.28	Stationary	..	45	42	—52.27	Stationary.
Baluchistan.	33	25	25	—24.24	Stationary	88	..	..	—100.0	—6.67
	62	49	49	—20.97	Stationary	2	..	..	..	..
Total figure for British India	24,003	16,000	15,842	—35.6	—0.99	30,548	21,951	21,821	—28.6	—0.6

* The shop license figures exclude domestic consumption and hawkling licenses for the sale of fresh (unfermented) tari.

† Including temporary shops.

‡ Figures relate to calendar years except in the case of 1912-13.

STATEMENT

Statement showing percentage of area under the Out-still system and the percent

Province.	1911	1912-13.																
		*Including Delhi.																
† Correct figure.	Total figure for British India.	Population (in thousands.)	1912-13	Percentage of population served by out-still.	Total area (square miles).	Area under out-still (square miles).	Percentage of whole area under out-stills.	Population (in thousands).	Population (in thousands) served by out-still.	Percentage of population served by out-still.	Population (in thousands).	Population (in thousands) served by out-still.	Percentage of population served by out-still.	Population (in thousands).	Population (in thousands) served by out-still.	Percentage of population served by out-still.		
		41,405	1,410	3-41	142,330	18,847	13-24	42,319	16,012	3-23	1,366	13	0-08	..	..	243	1-84
		16,137	22	0-14	75,933	805	1-06	16,012	3,279	..	..	..	..	..	..	2,057	6-04
		3,513	..	..	46,986	..	..	3,279	46,522	..	..	..	..	..	..	1,786	3-94
		45,483	5,240	11-52	78,699	6,635	8-43	46,522	13,212	243	1-84	6-04	3-94	266	1-91	584	7-67	
		12,115	615	5-08	230,839	18,462	8-00	13,212	34,002	243	1-84	6-04	3-94	266	1-91	584	7-67	
		34,490	7,020	20-35	83,181	30,882	37-13	34,002	45,376	1,786	3-94	266	1-91	584	7-67	12-71	..	
		46,807	1,817	3-88	107,267	14,594	13-60	45,376	20,658†	..	..	..	..	..	..	53-5	12-71
		19,579	99,779*	20,658†	13,912	266	1-91	584	7-67	12-71	53-5	12-71
		13,916	1,442	10-36	99,823	20,580	22-62	13,912	7,606	584	7-67	12-71	..	..	..	53-5	12-71
		6,714	644	9-59	53,015	14,157	26-70	7,606	2,251	..	..	..	..	..	..	53-5	12-71
		2,197	..	..	13,418	..	..	2,251	488	..	..	..	..	..	..	53-5	12-71
		413	..	..	..	..	..	488	495	..	..	..	..	..	..	53-5	12-71
		501	..	..	2,711	..	..	495	164	..	..	..	..	..	..	53-5	12-71
		175	..	..	1,682	..	..	164	421	..	..	..	..	..	..	53-5	12-71
		414	70	16-90	54,228	10,315	19-02	421	246,717	6,368-5	2-6	..	..	..	..	53-5	12-71
243,859	18,280	7-5	1,089,791	135,277	12-41	246,717	6,368-5	2-6	53-5	12-71	..		

*Including Delhi.

† Correct figure.

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1,075,950	74,517	6-9	246,717	6,230-5	2-5	1,075,950	71,658	6-7
54,228	8,639	15-93	421	53-5	12-71	54,228	8,639	15-93
1,582	..	..	164	..	..	1,582	..	..
2,711	..	..	495	..	..	2,711	..	..
593	..	..	488	..	..	593	..	..
13,419	..	..	2,251	..	..	13,419	..	..
53,016	10,905	20-57	7,606	584	7-67	53,016	10,905	20-57
99,876	6,077	6-08	13,912	268	1-93	99,876	6,077	6-08
89,263	..	..	20,658	..	..	89,263	..	..
106,295	12,739	11-98	45,376	1,787	3-94	106,295	12,739	11-98
83,317	13,580	10-29	34,002	2,108	6-19	83,317	13,977	16-77
233,707	4,665	2-00	13,212	51	0-39	233,707	1,409	0-60
71,705	..	..	40,522	..	..	71,705	..	..
46,944	..	..	3,279	..	..	46,944	..	..
77,035	304	0-39	10,012	13	0-08	77,035	304	0-39
142,260	17,608	12-38	42,319	1,366	3-23	142,260	17,608	12-38
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
1921	1920-27	1926-27	1921	1927-28	1927-28	1921	1927-28	1927-28
Total area (square miles).	Area under out-still (square miles).	Percentage of whole area under out-still.	Population (in thousands).	Population (in thousands) served by out-still.	Percentage of population served by out-still.	Total area (square miles).	Area under out-still (square miles).	Percentage of whole area under out-still.

1927-28.

27.

STATEMENT VI.

Statement showing the average total taxation (both from duty and vend fees) on country spirit per proof gallon in distillery areas during 1912-13, 1926-27 and 1927-28.

Average taxation per proof gallon of country spirit during

Province.	1912-13.			1926-27.			1927-28.		
	By duty.	By vend fee.	Total.	By duty.	By vend fee.	Total.	By duty.	By vend fee.	Total.
	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
Madræs Presidency ..	5 12 0	2 3 7	7 15 7	0 3 6	4 11 9	13 15 3	9 3 8	4 14 3	14 1 11
Bombay Presidency Pro- por.	5 1 6	0 10 4	5 11 10	0 15 8	6 3 10	10 13 6	10 4 2	6 13 1	17 1 3
Bombay Presidency Pro- por.	5 6 4	0 12 0	6 3 1	12 3 2	7 12 7	19 15 9	13 1 0	7 8 11	20 9 11
Bombay Presidency Pro- por.	4 7 10	2 15 0	7 6 10	12 14 10	1 7 11	14 6 9	13 4 8	1 8 0	14 12 8
Bombay Presidency Pro- por.	4 4 0	1 14 8	6 2 8	6 14 10	4 12 3	11 11 1	7 1 7	5 2 7	12 4 2
Bombay Presidency Pro- por.	1 15 8	1 4 10	3 4 6	4 14 6	2 7 8	7 6 2	4 14 6	2 2 9	7 8 3
Bombay Presidency Pro- por.	3 3 4	1 10 10	4 14 2	0 16 4	4 2 1	14 1 5	10 1 4	4 3 10	14 5 2
Bombay Presidency Pro- por.	5 0 0	3 9 10	8 9 10	12 8 0	5 7 4	17 15 4	10 0 0	3 14 9	13 14 0
Bombay Presidency Pro- por.	3 11 3	2 8 1	6 3 4	8 4 10	7 7 10	15 12 8	7 14 6	5 2 8	13 1 2
Bombay Presidency Pro- por.	3 2 1	2 7 3	5 9 4	4 15 4	3 1 0	8 0 4	5 0 0	3 0 11	8 0 11
Bombay Presidency Pro- por.	5 0 0	4 4 6	9 4 6	12 8 0	8 3 0	20 11 0	10 0 0	8 1 0	18 1 0
Assam ..	5 0 0	3 15 3	8 15 3	12 8 0	8 1 5	20 9 5	10 0 0	3 12 11	13 12 11
North-West Frontier Province.	5 0 0	1 11 10	6 13 8	7 3 7	1 3 3	8 6 10	7 2 10	1 1 4	8 4 2
Delhi ..	4 1 10	1 9 4	5 13 4	8 7 5	4 0 7	12 6 8	8 7 5	3 3 5	11 10 10
Ajmer-Merwara ..	5 10 0	1 9 1	6 10 5	9 12 8	2 15 0	12 11 8	9 13 1	2 9 3	12 6 4
Coorg ..	5 1 4	1 9 1	6 10 5	9 12 8	2 15 0	12 11 8	9 13 1	2 9 3	12 6 4
Baluchistan ..	5 1 4	1 9 1	6 10 5	9 12 8	2 15 0	12 11 8	9 13 1	2 9 3	12 6 4

* Figures relate to calendar years except in the case of 1912-13.

STATEMENT VII.

Statement showing revenue derived from country spirit (excluding revenue from country spirit issued to Indian States) during the years 1912-13, 1926-27, and 1927-28 and the percentage of increase (+) or decrease (—) (In lakhs of rupees.)

Province.	Revenue from country spirit during										Percentage of increase (+) or decrease (—) of total revenue during 1927-28 compared with the figures of	
	1912-13.			1926-27.			1927-28.					
	In Distillery areas.	In Out-still areas.	Grand total.	In Distillery areas.	In Out-still areas.	Grand total.	In Distillery areas.	In Out-still areas.	Grand total.			
Madræs Presidency ..	1,41.43	3.14	1,44.57	2,01.95	3.55	2,05.50	2,05.38	4.00	2,09.38	+44.83	+1.89	
Bombay Presidency Proper ..	1,45.75	0.08	1,45.83	2,11.26	0.46	2,11.72	2,18.00	0.35*	2,18.35	+49.80	+3.13	
Blind ..	14.13	..	14.13	21.86	..	21.86	23.30	..	23.30	+64.89	+6.59	
Bengal Presidency ..	63.27	0.83	64.10	90.68	..	90.58	87.58	..	87.58	+36.63	—3.32	
Burma ..	3.54	0.60	4.14	14.08	0.10	14.18	14.87	0.16	15.03	+263.04	+5.99	
Bihar and Orissa ..	37.96	16.11	54.07	78.63	12.91	91.54	75.77	10.86	86.63	+60.22	—5.36	
United Provinces..	82.60	1.46	84.06	50.84	2.24	53.08	55.47	2.38	57.85	—31.18	+8.99	
Punjab ..	41.61	..	41.61†	57.31	..	57.31	60.56	..	60.56	+45.64	+5.67	
Central Provinces and Berar†	74.59	2.66	77.25	74.21	.94	75.15	59.08	.97	60.05	—22.27	—20.09	
Assam ..	13.81	0.26	14.07	21.04	0.89	21.93	20.56	0.83	21.39	+52.02	—2.46	
North-West Frontier Pro- vince.	2.23	..	2.23	4.25	..	4.25	4.15	..	4.15	+86.10	—2.35	
Delhi ..	1.62	..	1.62	1.50	..	1.50	1.15	..	1.15	—24.34	—23.33	
Ajmer-Merwara ..	3.03	..	3.03	5.64	..	5.64	5.86	..	5.86	+93.40	+3.90	
Coorg ..	1.91	..	1.91	2.63	..	2.63	2.94	..	2.94	+53.93	+11.79	
Baluchistan ..	1.57	0.08	1.65	3.87	0.15	4.02	3.73	0.15	3.88	+135.15	—3.48	
Total figure for British India	6,28.95	25.22	6,54.17	8,39.65	21.24	8,60.89	8,38.40	19.70	8,58.10	+31.2	—0.3	

* This represents the revenue realized for the Dhadgaon Distillery in the West Khandesh district.
† Including Delhi.

‡ Figures relate to calendar years except in the case of 1912-13.

STATEMENT
Statement showing the average Excise revenue per head of population, the
Excise during the years 1912-13,

Province.	Average Excise revenue per head of population. (To the nearest pie.) ¹		Gross Excise revenue. (In lakhs of rupees.) ²	
	1926-27.	1927-28.	1912-13.	1927-28.
Madras Presidency ..	Rs. a. p. 0 12 9	Rs. a. p. 1 3 0	3,30-29	5,34-95
Bombay Presidency Proper.	1 2 0	2 0 0	1,88-65	3,58-60
Sind ..	0 10 6	1 3 10	23-19	45-20
Bengal Presidency ..	0 4 10	0 7 8	1,37-59	2,24-60
Burma ..	0 13 3	1 2 5	85-21	1,23-60
Bihar and Orissa ..	0 4 10	0 9 4	1,04-01	1,97-15
United Provinces ..	0 4 4	0 4 6	1,26-17	1,44-29
Punjab ..	0 5 2	0 9 2	65-73	1,32-90
Central Provinces and Berar. †	0 12 2	1 0 0	1,11-20	1,21-19*
Assam ..	0 11 9	0 15 4	48-52	70-28
North-West Frontier Province.	0 3 8	0 3 8	4-04	10-10
Delhi ..	0 12 2	1 0 1	3-15	4-35
Ajmer-Merwara ..	0 11 3	1 6 2	3-52	7-08
Coorg ..	1 6 7	2 0 2	2-47	3-67
Baluchistan ..	0 10 9	1 8 6	2-79	5-92
Total figure for British India.	0 8 1	0 12 9	12,36-53	19,83-97

(a) Including Delhi.
(b) Including Rs. 6-97 lakhs—assignment of Government of India.
(c) Includes:—

Rs. 6-97 lakhs—assignment of Government of India.
Rs. 1-21 lakhs—credits by other Administrations.
*Inclusive of cost price of opium and hemp drug.

total Excise revenue, expenditure under Excise and the net receipts from 1926-27 and 1927-28.

Total charges under Excise. (In lakhs of rupees.) 3		Net revenue from Excise. (In lakhs of rupees.) 4	
1912-13.	1926-27.	1927-28.	1927-28.
18.13	43.65	43.93	49.02
10.27	22.82	49.44	3,09.16
0.40	3.63	3.58	41.62
6.01	27.24*	26.14	198.55
14.94	23.65	24.14	99.46
5.36	20.55	19.86	176.55
4.32	13.39	16.46	127.83
2.13	(d) 19.19	(e) 30.79	101.88
8.37	16.52*	15.34*	1,05.79†
1.15	10.97	7.90	62.38
0.14	0.94	1.59	8.81
0.6	0.50	0.48	3.86
0.18	0.36	0.36	6.71
0.08	(f) 0.10	0.07	3.60
0.13	0.24	0.43	5.49
72.20	2,04.47	2,40.21	17,42.71

*Revised figure.

† Figures relate to calendar years except in the case of 1912-13.

(d) Includes Rs. 3.69 lakhs credits to other Administrations.

(e) Includes Rs. 15.88 lakhs credits to other Administrations but excludes Rs. 0.23 lakh on account of refunds.

(f) Inclusive of amount representing refunds granted.

STATEMENT IX.

Statement showing the number of persons convicted for Excise and Opium offences during the years 1912-13, 1926-27 and 1927-28.

Province.	1912-13.		1926-27.		1927-28.	
	Total convictions.	Convictions per 100,000 of total population.	Total convictions.	Convictions per 100,000 of total population.	Total convictions.	Convictions per 100,000 of total population.
Madras Presidency ..	11,813 (cases)	(*)	5,032 (cases)	(*)	4,793 (cases)	(*)
Bombay Presidency ..	3,206 (cases)	(*)	5,675 (cases)	(*)	5,697 (cases)	(*)
Sind ..	119	3.39	373	11.38	507	15.46
Bengal Presidency ..	3,016	6.63	5,646	11.92	5,500	11.82
Burma ..	8,866	73.18	9,164	69.36	9,252	70.03
Bihar and Orissa ..	1,580	4.58	3,231	9.50	2,932	8.62
United Provinces ..	2,010	4.29	2,500	5.51	3,213	7.08
Punjab ..	570	2.91	1,307	6.3	1,365	6.6
Central Provinces and Berar ..	768	5.52	3,074†	22.09	2,601†	17.98
Assam ..	349	5.20	500	6.42	625	8.22
North-West Frontier Province ..	58	2.64	181	8.1	215	9.6
Delhi ..	45	10.88	87	17.82	84	17.2
Ajmer-Merwara ..	77	15.36	86	17.36	61	12.31
Coorg ..	63	36.09	108	65.85	93	56.71
Baluchistan ..	13 (cases) of smuggling and 65 convictions for drunkenness.	*	126	29.95	100	23.77

* Information not ascertainable.

† Figures for calendar years.

STATEMENT X.

Statement showing the number of convictions for offences relating to country spirit for the years 1912-13, 1926-27 and 1927-28.

Province.	Convictions per 100,000 population.	1912-13.			1926-27.			1927-28.		
		(from total population.)	(from total population.)	(from total population.)	(from total population.)	(from total population.)	(from total population.)	(from total population.)	(from total population.)	(from total population.)
Madras Presidency ..	979	(cases).	2,208	(cases).	2,208	(cases).	2,632	(cases).	2,632	(cases).
Bombay Presidency ..	883	(offences).	•	(cases).	•	(cases).	•	(cases).	•	(cases).
Sind ..	12	(offences).	66	(offences).	66	(offences).	133	(offences).	133	(offences).
Central Presidency ..	434	1-00	1,286	2-76	1,416	3-04	1,880	14-23	4-11	3-85
Bihar and Orissa ..	708	2-31	1,510	4-44	1,398	4-11	1,745†	3-85	4-0	•
United Provinces ..	749†	1-59	1,520†	3-34	830	4-0	1,745†	3-85	4-0	•
Punjab ..	264	1-35	689	3-32	830	4-0	1,745†	3-85	4-0	•
Central Provinces and Berar.	•	•	•	•	•	•	•	•	•	•
Assam ..	112	1-67	250	•	316	•	316	•	•	•
North-West Frontier Province.	•	•	19	0-84	33	1-4	33	1-4	•	•
Delhi ..	1	0-24	15	3-07	11	2-25	11	2-25	•	•
Ajmer-Merwara ..	•	•	28	5-65	25	5-05	25	5-05	•	•
Coorg ..	26	15-85	31	18-90	88	53-66	88	53-66	•	•
Baluchistan ..	(Case of smuggling.)	•	108	25-07	88	20-92	88	20-92	•	•

* Information not available.

† Includes figures for fermented liquor also; separate figures for country spirit are not available.

STATEMENT

Statement showing the total gross revenue of various provinces, total revenue percentages of revenue under Excise as well as *Liyitors* to the total gross

Province.	Total gross revenue. (In lakhs of rupees.)		Excise revenue excluding compensation and refunds. (In lakhs of rupees.)	
	1912-13.	1926-27.	1912-13.	1926-27.
Madras Presidency	8,08.4	15,33.3	16,99.9	3,31.5
Bombay Presidency including Sind	7,95.8	14,86.2	15,85.3	2,09.1
Bengal Presidency	7,16.5	10,50.3	10,81.3	1,37.5
Burma	6,08.3	10,54.3	11,25.6	81.1
Bihar and Orissa	3,35.2	5,96.9	5,72.4	1,03.8
United Provinces	7,07.9	12,89.7	12,86.0	1,25.8
Punjab	5,09.5	11,55.0	12,06.36	69.8
Central Provinces and Berar †	3,25.4	5,20.3	5,29.9	1,06.0
Assam	1,78.1	2,59.9	2,70.9	48.4
North West Frontier Province	51.2	81.20	87.60	4.0
Delhi	3.15	4.92	4.35	3.14
Ajmer-Merwara	†	†	†	3.34
Coorg	†	12.93	13.80	†
Baluchistan	..	16.56	21.03	22.73
	..	..	..	2.79
	..	..	..	5.90
	..	..	..	3.67
	..	..	..	6.71
	..	..	..	4.34
	..	..	..	10.07
	..	..	..	70.2
	..	..	..	1,20.7
	..	..	..	1,24.72
	..	..	..	1,40.9
	..	..	..	1,96.4
	..	..	..	1,23.6
	..	..	..	2,23.2
	..	..	..	3,82.6
	..	..	..	5,30.1
	1912-13.	1926-27.	1912-13.	1926-27.
	1927-28.	1927-28.	1927-28.	1927-28.

* These figures include revenue from license fees.
† Information not available.
‡ Figures relate to calendar years except in the

from Excise (excluding compensation and refunds) revenue from liquors and the revenue during the years 1912-13, 1926-27 and 1927-28.

Percentage of the total gross revenue borne by the	Revenue derived from liquors. (In lakhs of rupees.)			Excise revenue in		Revenue from liquors in	
	1912-13.	1926-27.	1927-28.	1912-13.	1926-27.	1912-13.	1927-28.
	3,06.2*	4,55.0*	4,76.2*	41.0	33.0	31.17	28.0
	1,84.2	3,34.0	3,14.0	26.3	26.3	24.1	19.8
	82.8*	1,52.1*	1,50.5*	19.2	21.3	20.6	13.0
	42.9	89.9	82.8	13.3	12.8	11.0	7.4
	68.4	1,17.35	1,14.3	31.0	33.1	34.3	19.9
	90.0	69.5	76.2	17.6	10.1	10.9	6.9
	46.0	71.3	73.5	6.0	10.5	10.3	6.9
	79.1	84.0	66.5	32.5	26.0	22.8	12.5
	14.3	22.0	21.5	27.2	27.6	25.9	7.9
	1.5	2.4	7.28	7.8	12.0	11.5	8.8
	1.74	2.10	1.71	78.71	78.54	79.46	69.31
	3.10	5.67	5.89	+	+	+	+
	+	2.23*	3.59	+	25.52	26.59	26.10
	2.27	4.84	4.72	16.85	27.28	26.04	20.77

for hemp drugs but not duty.

case of 1912-13.

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